

Historic, archived document

Do not assume content reflects current
scientific knowledge, policies, or practices.

1.9
EC 75-2F
copy 3



United States
Department of
Agriculture

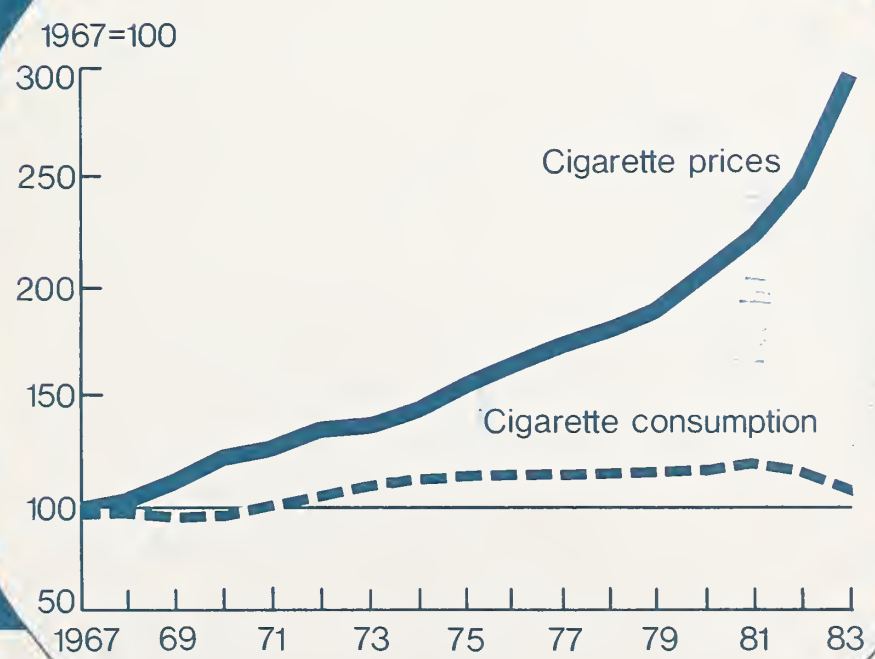
Economic
Research
Service

TS-187
March 1984

Tobacco

Outlook and Situation Report

Higher Prices Curb Cigarette Use, page 2



Contents

Tobacco Products	2
U.S. Exports and Imports	4
Tobacco Leaf Situation and Outlook	8
Flue-Cured	12
Burley	13
Southern Maryland	16
Fire-Cured	17
Dark Air-Cured	19
Cigar Tobacco	19
Special Article	
The Tobacco Program: Recent Changes and Issues in the Eighties ..	25
Statistical Summary	28
List of Tables	30

Principal contributor

Verner N. Grise
202-447-8776

Statistical Assistant

Laverne M. Creek
202-447-8776

**National Economics Division
Economic Research Service
U.S. Department of Agriculture
Washington, D.C. 20250**

Approved by the World Agricultural Outlook Board. Summary released March 8. The next summary of the **Tobacco Outlook and Situation** is scheduled for release on June 7. It will appear on several computer networks by 3:30 ET the same day. Full text and tables are also released electronically often several days before the report itself is published. For information on providers of electronic access to Outlook and Situation reports, write EMS/USDA, Rm 440 GH1, Washington, D.C. 20250. Telephone (202) 382-9754.

Tobacco Outlook and Situation is published in March, June, September, and December. Annual subscription: \$8 U.S., \$10 foreign. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Make checks payable to the Superintendent of Documents.

Current subscribers will receive renewal notices from the Government Printing Office approximately 90 days before their subscriptions expire. Notices will be sent **ONLY ONCE** and should be returned promptly to ensure uninterrupted service.

Summary

Responding to a 5-percent cut in the effective quota for flue-cured tobacco and a 7-percent increase for burley, growers indicated in early February that they intended to increase this year's total tobacco plantings about 1 percent to 794,000 acres. If growers of flue-cured tobacco carry out their intentions, flue-cured acreage would drop to a record low 395,000.

The slightly larger acreage and a more normal yield would raise this year's tobacco crop 10-15 percent from 1983's 1.41 billion pounds. Domestic tobacco supply for 1984/85 would then about equal this season's level.

Price supports for flue-cured tobacco will remain the same as in 1982 and 1983 under legislation enacted in late 1983. Supports for burley tobacco must be at least as high as they were last year, and because of large supplies, they are not likely to be increased. Price supports for other types cannot be raised from last year but they can be reduced. USDA sets grade loan rates for the various kinds of tobacco before the marketing season begins.

The drought-reduced 1983 crop lowered this season's domestic leaf supply to 5.3 billion pounds, 3 percent below the previous year. On January 1, nonfarm stocks were 0.5 percent below a year earlier. With a drop in both domestic consumption and exports, total use of U.S. tobacco during 1983/84 may fall 2-3 percent from 1982/83. Thus, by October 1, carryover stocks of all tobacco may be about 3 percent below a year earlier.

Last year, cigarette output dropped 4 percent to 667 billion. Both domestic use and exports fell. Reacting to increased prices, U.S. smokers consumed 600 billion cigarettes in 1983, about 5 percent less than the previous year and the lowest since 1974. Annual consumption per adult declined 7 percent to 3,494 cigarettes. Total cigarette use may rise this year because of a slowdown in price increases and the improved economy.

Consumption of smokeless tobacco products (chewing tobacco and snuff) rose a little last year. Use of both smoking tobacco and large cigars declined, and may do so again in 1984.

U.S. exports of tobacco leaf and products last year fell 7 percent in value from 1982's record. A smaller volume was recorded for both manufactured and leaf exports; however, both categories recorded slightly higher prices. Exports of unmanufactured tobacco totaled 524 million pounds (238,000 metric tons), or 630 million pounds, farm-sales weight. This year, export volume is expected to increase only slightly, due to competition from countries such as Zimbabwe and Brazil, and reduced consumption in some major U.S. markets.

In 1983, unmanufactured tobacco imports and the Customs category for machine processed leaf (duty paid) rose 30 percent to 527 million pounds (239,000 metric tons). This record import figure exceeded export volume for the first time last year, primarily because of abnormally large clearances in August in anticipation of a Customs reclassification of certain machine-threshed cigarette leaf. Last year's imports represented nearly a third of the tobacco used in U.S. cigarette production; about the same proportion is expected this year.

Flue-cured tobacco disappearance in the current marketing year may decline from last year's 935 million pounds, as both exports and domestic use are likely to fall. With the smaller 1983 crop, the carryover on July 1, 1984, will probably decline about 3 percent from last July's 2.21 billion pounds. Production in 1984 is expected to drop from last year's 818 million pounds.

Total disappearance of burley tobacco this season may decline from 1982/83's 579 million pounds, with a decline in both domestic use and exports. Burley sales this season totaled about 524 million pounds, 33 percent less than last season. Sales this season included 33 million pounds of 1982/83 carryover tobacco that was sold in October. Burley carryover next October 1 is expected to be 3 percent below a year earlier.

TOBACCO PRODUCTS

Cigarette Use Declines in 1983

Last year, U.S. consumption totaled 600 billion, 5 percent below 1982 (table 1). Both the percentage decline and the drop in total cigarettes smoked were the highest on record. The drop is attributed to higher prices, largely resulting from increased Federal and State excise taxes. Per capita use by persons 18 and over fell to 3,494 cigarettes—down from 3,745 in 1982. Total consumption is expected to increase a little in 1984, but per capita consumption likely will decline further. Output last year dropped 4 percent to 667 billion cigarettes, as both domestic sales and exports declined.

The annual Economic Research Service survey of cigarette manufacturers indicated that production of filter cigarettes rose to 93.6 percent of total output in 1983, up from 93.2 percent in 1982. The gain was concentrated in the 80- and 100-millimeter sizes, which together made up about 45 percent of 1983 output (table 3).

Cigarette Prices Rising

Manufacturers raised wholesale cigarette prices three times last year for a total increase of 15 to 16 percent (table 4). Retail prices rose 21 percent in 1983. However, the rate of increase slowed during the later part of the year. Retail prices are expected to rise further this year but at a slower rate than last year.

Twelve States raised cigarette taxes in 1983 an average of 4-1/2 cents a pack. One State added a 1-cent surcharge per pack and five States removed sunset provisions that would have ended previous excise increases. State cigarette tax rates (weighted by number of packs taxed) averaged 15.3 cents per pack in December 1983, 1 cent above a year earlier. This year, excise taxes have already been raised in one State and increases are proposed in several other States. The Federal excise tax was increased to 16 cents a pack on January 1, 1983, but under current law it is scheduled to return to 8 cents a pack on October 1, 1985.

Cigar and Smoking Tobacco Use Again Lower

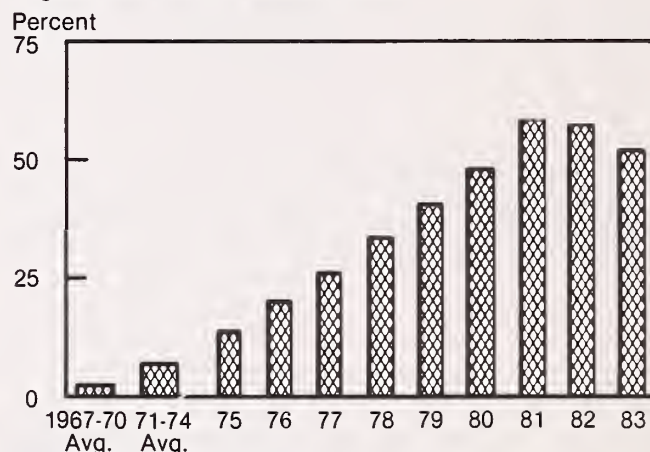
Large cigar use (including cigarillos) continued to decline in the fourth quarter of 1983. Last year, U.S. smokers used about 3.6 billion large cigars, 1-1/2 percent fewer than a year earlier (table 6). Production of small cigars—less than 3 pounds per 1,000—rose to 1.35 billion pieces, up 3 percent from 1982 and reversing the downward trend that started in 1973. While total cigar use will likely continue to decline, the rate of decline has slowed.

Smoking tobacco consumption last year totaled 33 million pounds, 1 percent below 1982. Sales (including imports) of pipe tobacco, the major category, declined while use for roll-your-own cigarettes increased. (table 8).

Smokeless Tobacco Use Rises

During 1983, greater use of snuff more than offset smaller use of chewing tobacco (table 5). Although employ-

Cigarettes Low-Tar Market Share*



* 15 mg. "Tar" or less. Federal Trade Commission Data. Latest year estimated.

Table 1—Cigarettes: U.S. output, removals, and consumption, 1975-83

Year	Output	Taxable	Removals Tax-exempt				Estimated inventory increase	Total U.S. consump- tion ³
			Total	Exports	Shipments ¹	Overseas forces ²		
Billions								
1975	651.2	588.3	62.3	50.2	1.5	10.6	-7.7	607.2
1976	693.4	617.9	72.1	61.4	1.9	8.8	13.5	613.5
1977	665.9	592.0	78.1	66.8	1.1	10.2	-14.4	617.0
1978	695.9	614.2	85.1	74.4	1.2	9.6	8.2	616.0
1979	704.4	614.0	93.8	79.7	1.1	13.0	5.7	621.5
1980	714.1	620.5	94.2	82.0	.9	11.3	2.3	631.5
1981	736.5	638.1	92.0	82.6	.8	8.6	8.0	640.0
1982	694.2	614.1	82.1	73.6	.8	7.7	-10.8	634.0
1983 ⁴	667.0	597.5	69.7	60.7	.8	8.2	7.2	600.0

¹To Puerto Rico and other U.S. possessions. ²Includes ship stores and small tax-exempt categories. ³Taxable removals, overseas forces, inventory change and imports (negligible). ⁴Preliminary.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

**Table 2—Per capita consumption of tobacco products in the United States
(including overseas forces), 1974-83**

Year	Per capita 18 years and over				Per male 18 years and over			
	Cigarettes ¹		Snuff	All tobacco products ²	Large cigars & cigarillos		Smoking tobacco ²	Chewing tobacco
	Number	Pounds	Pounds	Pounds	Number	Pounds	Pounds	Pounds
1974	4,141	7.90	(3)	(3)	91.9	1.47	.87	(3)
1975	4,123	7.73	(3)	(3)	82.4	1.32	.76	(3)
1976	4,092	7.35	(3)	(3)	75.0	1.20	.75	(3)
1977	4,051	7.21	(3)	(3)	67.9	1.13	.65	(3)
1978	3,967	6.89	(3)	(3)	63.4	1.05	.60	(3)
1979	3,861	7.00	(3)	(3)	56.0	.92	.51	(3)
1980	3,851	6.79	(3)	(3)	51.1	.84	.48	(3)
1981	3,840	6.53	.25	7.60	48.9	.81	.46	1.13
1982 ⁴	3,745	6.48	.26	7.48	45.3	.74	.42	1.09
1983 ⁴	3,494	6.04	.26	7.01	44.0	.72	.41	1.06

¹Unstemmed processing weight. ²Finished product weight. ³New product classifications became effective January 1, 1982. Revisions for 1980 and prior years not available. ⁴Subject to revision. Data prior to 1979 do not include results of 1980 census.

Table 3—Cigarettes: Output of filter tip and nonfilter tip by length, 1981-83¹

Item	1981		1982		1983 ²	
	Output	Percent of total	Output	Percent of total	Output	Percent of total
	Billion	Percent	Billion	Percent	Billion	Percent
Filter tip						
80 mm Long	74.2	10.1	73.1	10.6	75.9	11.4
85 mm King	371.4	50.4	330.7	47.6	307.8	46.1
100 mm Extra Long	224.0	30.4	229.4	33.0	226.8	34.0
120 mm	13.1	1.8	14.0	2.0	14.0	2.1
Total	682.7	92.7	647.2	93.2	624.5	93.6
Nonfilter tip						
70 mm Regular	24.2	3.3	21.3	3.1	18.6	2.8
85 mm King	29.6	4.0	25.7	3.7	23.9	3.6
Total	53.8	7.3	47.0	6.8	42.5	6.4
Grand total	736.5	100.0	694.2	100.0	667.0	100.0

¹Cigarettes having other lengths were included in the most nearly comparable group. ²Preliminary.

Table 4—Wholesale cigarette price revisions, 1977-83¹

Approximate date of change ³	Net price per 1000				Net price per 1000 excluding Federal excise tax ²			
	Standard	King size	Filter tips	100 millimeter	Standard	King size	Filter tips	100 millimeter
	Dollars							
August 1977	14.35	14.35	14.35	14.85	10.35	10.35	10.35	10.85
June 1978	15.20	15.20	15.20	15.70	11.20	11.20	11.20	11.70
December 1978	15.75	15.75	15.75	16.25	11.75	11.75	11.75	12.25
June-July 1979	16.30	16.30	16.30	16.80	12.30	12.30	12.30	12.80
Jan. 1980	17.05	17.05	17.05	17.55	13.05	13.05	13.05	13.55
May 1980	17.65	17.65	17.65	18.15	13.65	13.65	13.65	14.15
November 1980	18.50	18.50	18.50	19.00	14.50	14.50	14.50	15.00
April 1981	19.35	19.35	19.35	19.85	15.35	15.35	15.35	15.85
September 1981	20.20	20.20	20.20	20.70	16.20	16.20	16.20	16.70
February 1982	21.20	21.20	21.20	21.70	17.20	17.20	17.20	17.70
Aug.-Sept. 1982 ⁴	22.70	23.70	22.70	23.70	18.70	19.70	18.70	19.70
October 1982 ⁴	24.20	25.20	24.20	25.20	20.20	21.20	20.20	21.20
November 1982 ⁴	25.20	26.20	25.20	26.20	21.20	22.20	21.20	22.20
January 1983 ⁵	26.90	27.90	26.90	27.90	18.90	19.90	18.90	19.90
June 1983	28.40	29.40	28.40	29.40	20.40	21.40	20.40	21.40
December 1983	29.15	30.15	29.15	30.15	21.15	22.15	21.15	22.15

¹Includes leading brands. A 3-percent discount is made for payment within 10 days or 2 percent within 14 days. ²Effective January 1, 1983, the Federal excise tax doubled to \$8.00 per 1,000 cigarettes. ³For 1940-74, see TS-151, March 1975; for 1974-76, see TS-177, September 1981.

⁴Manufacturers increased prices by a different amount. The change shown represents a major manufacturer whose prices are between the highest and lowest. ⁵The January price increase brought major manufacturers' prices in line.

ment rose in many industries where chewing tobacco is typically used, consumption still fell. Snuff may have been substituted for chewing tobacco. Among smokeless products, moist snuff consumption rose and looseleaf chewing was unchanged, while other categories—dry snuff, twist chewing, and plug chewing—declined. Manufacturers sell virtually all their chewing tobacco and snuff domestically.

Civil Aeronautics Board Holds Hearings

The Civil Aeronautics Board held 3 days of hearings in February on changes in the agency's smoking rules. The board has proposed to ban smoking on flights of less than 1 to 2 hours and on small planes with either 30 or fewer

or 60 or fewer seats. Also, the board has proposed banning all pipe and cigar smoking, banning smoking at the request of "especially sensitive" persons, and prohibiting smoking if an aircraft's ventilation system is not working adequately.

U.S. EXPORTS AND IMPORTS

The United States is the world's leading tobacco exporter as well as the largest importer. During 1960-64, about 30 percent of U.S. tobacco production was exported. By 1978-82, exports increased to 34 percent of our crop and represented about 20 percent of world tobacco exports. However, the U.S. share of world exports is declining and fell to 18 percent in 1982.

Table 5—Tobacco products: Output and domestic sales, 1981-83

Item	Manufactured			Invoiced to domestic customers ¹		
	1981	1982	1983 ²	1981	1982	1983 ²
<i>Million pounds</i>						
Chewing Tobacco:						
Plug-firm	11.4	10.5	9.7	11.3	10.2	9.6
Plug-moist	6.5	5.2	4.4	6.5	5.1	4.4
Twist	1.8	1.7	1.7	1.9	1.8	1.7
Loose leaf	70.3	73.0	71.0	70.5	70.9	70.9
Total	90.0	90.4	86.8	90.2	88.0	86.6
Snuff-dry	11.7	10.3	10.5	11.8	11.2	10.7
Snuff-moist	30.8	33.5	36.2	30.2	32.7	35.0
Total	42.5	43.8	46.7	42.0	43.9	45.7
Smoking						
Pipe	27.0	25.3	23.7	26.8	24.5	23.0
Granulated or sack	.3	.3	.4	.3	.3	.4
Cigarette cut	3.0	2.7	4.0	2.9	3.0	3.6
Total	30.3	28.3	28.0	30.0	27.8	27.0
Smoking tobacco in bulk (exports)	7.0	11.1	7.9	—	—	—
Manufactured smoking tobacco (exports)	5.5	8.0	13.8	—	—	—
Small cigars (millions)	1,393	1,316	1,352	1,283	1,265	1,334

¹Taxable removals for small cigars. ²Subject to revision.

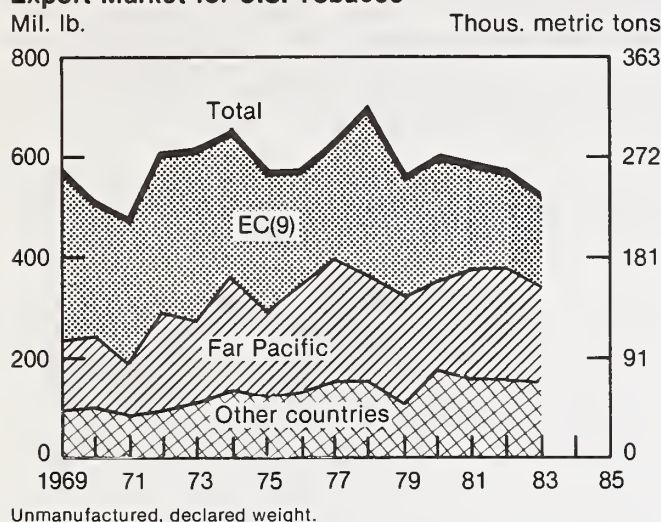
Table 6—Cigars and smoking tobacco: Output, removals, and consumption, 1981-83

Year and item	U.S. factories			From Puerto Rico, taxable	Imports	Exports	Total U.S. consumption ¹
	Output	Removals					
		Taxable	Tax-exempt				
<i>Millions</i>							
Large cigars ²							
1981	3,428	3,256	160	534	124	181	3,893
1982	3,169	3,056	158	500	134	181	3,667
1983 ⁴	3,135	3,031	140	429	135	130	3,605
<i>Million pounds</i>							
Smoking tobacco							
1981	30.3	30.0	.8	—	³ 6.6	.9	36.5
1982	28.3	27.9	.7	—	³ 6.1	1.0	33.7
1983 ⁴	28.0	27.0	.6	—	³ 6.7	1.0	33.3

¹Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. ²Includes cigarillos. ³From European countries normally not suppliers of packaged tobacco. ⁴Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and AMS, USDA.

Export Market for U.S. Tobacco



U.S. exports of unmanufactured tobacco and tobacco products were valued at \$2.65 billion in calendar 1983, 7 percent below 1982's record. This figure includes unmanufactured tobacco worth \$1.46 billion and tobacco products valued at \$1.19 billion. Unit values of both unmanufactured and manufactured products were up a little but the decline in volume was more than offsetting. U.S. tobacco imports rose 44 percent in value to \$817 million, leaving a trade balance of \$1.83 billion, 20 percent below the 1982 record and the lowest in 4 years (table 11).

Last year, U.S. cigarette exports fell 18 percent. The declared value declined 9 percent to \$1.13 billion. However, unit values rose about 10 percent. About half of the cigarette exports go to Asian countries, although the Census Bureau records 132 different countries as destinations.

Leaf Tobacco Exports Decline

U.S. exports of unmanufactured tobacco in 1983 declined 8 percent from 1982 to 524 million pounds (238,000

Table 7—Tobacco demand factors, 1974-83*

Year	Population July 1 ¹	Disposable personal income, per capita ²		Consumer price indexes ³				
				All items	Tobacco products	Cigarettes		Cigars, regular size
		Current prices	1972 prices			Nonfilter tip regular	Filter tip, king size	
	Million	Dollars				1967=100		
1974	144.7	4,710	4,050	147.7	143.8	145.5	145.9	119.5
1975	147.3	5,132	4,099	161.2	153.9	156.0	156.5	124.2
1976	150.5	5,550	4,217	170.5	160.5	162.7	163.2	129.9
1977	152.6	6,046	4,334	181.5	168.0	170.6	171.0	135.0
1978	155.3	6,688	4,486	195.4	177.3	—	179.8	⁴ 103.9
1979	161.0	7,293	4,493	217.5	187.9	—	189.7	⁴ 110.6
1980	164.0	8,032	4,487	246.8	202.6	—	205.2	⁴ 120.0
1981	166.7	8,906	4,587	272.4	218.9	—	221.4	⁴ 131.2
1982	169.3	9,381	4,570	289.0	243.4	—	247.1	⁴ 140.8
1983 ⁵	171.7	9,957	4,662	298.4	290.9	—	297.9	⁴ 150.2

¹18 years and older including forces overseas. ²Based on total population. ³All urban consumers, 1978-82; urban wage earners and clerical workers, 1973-77. ⁴Other tobacco products and smoking accessories, December 1977=100. ⁵Subject to revision. *Data prior to 1979 do not include results of 1980 census.

Table 8—Estimated number of roll-your-own cigarettes smoked and smoking tobacco consumed, 1980-83

Year	Roll-your-own cigarettes ¹	Total ²	Smoking tobacco for			
			Roll-your-own cigarettes		Pipe tobacco	
			Quantity	Percent of total	Quantity	Percent of total
	Billions	Million pounds	Million pounds	Percent	Million pounds	Percent
1980	4.4	37	8	22	29	78
1981	4.6	36	8	22	28	78
1982	4.7	34	8	24	26	76
1983 ³	5.5	33	9	29	22	71

¹Derived from shipments of cigarette papers and tubes. ²Includes imported tobacco. ³Preliminary.

Table 9—U.S. cigarette exports to leading destinations, 1981-83

Country	1981	1982	1983 ¹
<i>Billions</i>			
Belgium-Luxembourg	18.2	15.7	13.0
Hong Kong	8.3	7.7	7.4
United Arab Emirates	3.6	.6	1.3
Netherlands Antilles	4.3	3.6	1.4
Saudi Arabia	5.2	5.5	6.2
Japan	5.2	4.8	5.5
Kuwait	2.3	1.4	1.5
Spain	.9	1.1	.8
Canary Islands	1.7	.7	.4
Colombia	1.5	1.5	.7
Other	31.4	31.0	22.5
Total	82.6	73.6	60.7

¹Subject to revision.

Compiled from publications and records of the Bureau of the Census.

Table 10—Large cigars: Taxable removals by revenue class, 1982-83

Revenue class and whole-sale price ²	1982	1983	Change from 1982 ²
<i>Billions</i> <i>Percent</i>			
Dollars per thousand			
A-C (up to \$66)	.43	.29	-33
D-E (over \$66 to \$120)	1.84	1.94	+5
F-H (over \$120)	1.36	1.33	-2
Total removals	3.63	3.56	-2

¹Wholesale price classes roughly equivalent to retail price classes used prior to February 1, 1977. ²Computed from unrounded data.

Compiled from reports of the Bureau of Alcohol, Tobacco and Firearms, and Tobacco Merchants Association of the U.S.

metric tons) in export (dried) weight. The farm-sales weight dropped to 630 million pounds, down 67 million from a year earlier. Exports of Maryland and Kentucky-Tennessee fire-cured gained. Flue-cured, burley, dark air-cured, black fat, and cigar types declined (table 12). The increase in cigar filler and binder exports did not offset the decline in cigar wrapper exports.

European markets, which typically take more than half of U.S. leaf exports, increased U.S. purchases by one-half percent. However, Asian countries reduced purchases by 18 percent.

Several factors continue to limit U.S. exports. Last year, due to increased excise taxes, several European countries experienced a slowdown in the growth of cigarette sales. Also, the high cost of U.S. tobacco and the strength of the U.S. dollar against foreign currencies raised costs to importers and caused a further shift to foreign tobacco, particularly that grown in Brazil and Zimbabwe. High interest rates limited manufacturers' ability to carry stocks. These factors, combined with ample cheaper foreign stocks, will probably result in little, if any, growth in U.S. exports in 1984.

In 1983, for the third year in a row, Japan replaced West Germany as the leading buyer of U.S. leaf tobacco. U.S. exports to Japan rose, but West Germany reduced its takings 15 percent. Shipments to West Germany may decline again in 1984, although annual shipments have varied widely because of inventory shifts and changes in shipping patterns. The United Kingdom, long a major U.S. market, fell to fifth place in 1983 behind Spain and Italy. U.K. imports of U.S. leaf fell 9 percent following a 22-percent decline in 1982. The decline resulted from overall market contraction and the shift to less-expensive, duty-preferenced supplies.

The export volume of U.S. flue-cured tobacco dropped 11 percent, but value remained about two-thirds of total U.S. shipments. Both Asian and European countries reduced takings last year, but the Asian decline was much larger.

Table 11.—U.S. tobacco exports and imports: Unmanufactured and manufactured, 1974-83

Year	Exports			Imports ¹			Net exports (value)		
	Unmanufactured		Manu- factured	Unmanufactured		Manu- factured ³	Unmanu- factured	Manu- factured	Total
	Quantity ²	Value		Quantity ²	Value				
	<i>Million lbs.</i>	<i>Million dollars</i>		<i>Million lbs.</i>	<i>Million dollars</i>		<i>Million dollars</i>		
1974	651.4	832.1	360.5	299.9	182.5	32.6	449.6	327.9	777.5
1975	563.0	851.9	401.2	320.3	227.6	35.2	624.3	366.0	990.3
1976	578.1	921.6	536.0	310.4	269.7	46.7	651.9	489.3	1,141.2
1977	628.6	1,094.3	637.4	316.2	326.7	46.0	767.6	591.4	1,359.0
1978	700.0	1,358.2	766.4	336.0	377.9	50.1	1,007.3	716.3	1,723.6
1979	567.4	1,184.2	964.0	377.2	412.0	51.4	772.2	912.6	1,684.8
1980	598.7	1,334.1	1,091.5	365.6	391.7	94.9	942.4	996.6	1,939.0
1981	584.5	1,457.5	1,265.3	335.9	354.0	201.6	1,103.5	1,063.7	2,167.2
1982	572.1	1,546.5	1,298.0	295.8	342.0	226.7	1,204.5	1,071.3	2,275.8
1983	524.4	1,461.7	1,185.6	317.2	413.8	403.5	1,047.9	782.1	1,830.0

¹For consumption. ²Declared weight. ³Quantity in million pounds was: 1979, 10.4; 1980, 36.9; 1981, 109.8; 1982, 199.3; 1983, 219.1.

Compiled from publications and records of the Bureau of the Census.

**Table 12—U.S. exports of unmanufactured tobacco by types and
to principal importing countries, 1979-83
(Declared weight)**

Type & country	1979	1980	1981	1982	1983 ¹	1983 as a % of 1982
	<i>Million pounds</i>					<i>Percent</i>
Type						
Flue-cured	370.6	391.1	386.3	348.4	310.6	89
Burley	82.1	90.8	74.1	103.6	90.8	88
Maryland	6.0	7.1	7.3	6.7	8.1	121
Fire-cured, Ky. and Tenn.	13.7	14.6	16.3	18.8	19.6	104
Virginia fire & sun-cured	3.1	2.9	1.5	2.7	1.1	41
Green River & One-Sucker	.2	.1	.2	.2	.3	150
Black Fat	3.2	2.6	2.5	2.2	1.9	86
Cigar wrapper	5.3	4.2	2.5	1.1	.9	82
Cigar binder	.1	.2	.1	.1	.2	200
Cigar filler	.2	.2	.5	.2	.3	150
Perique	.1	.1	.1	.1	.4	400
Stems, trimmings & scrap	77.2	77.5	83.8	78.1	74.9	96
Other unmanu. NEC ²	5.7	7.2	9.3	9.8	14.6	149
Total	567.4	598.7	584.5	572.0	523.7	92
Country of destination						
United Kingdom	68.2	32.5	39.4	30.7	27.8	91
France	11.5	4.5	6.1	5.3	7.3	138
Belgium-Luxem.	5.4	7.9	9.5	15.2	9.6	63
Netherlands	29.3	44.9	28.6	25.1	28.4	113
West Germany	67.7	100.7	83.2	68.2	58.0	85
Denmark	16.4	17.5	11.1	16.8	20.2	120
Ireland	6.9	3.6	3.9	4.7	3.2	68
Italy	34.8	30.7	26.5	28.1	32.2	115
Total EC	240.2	242.2	208.4	194.0	186.7	96
Switzerland	19.3	20.1	22.2	26.7	16.8	63
Finland	7.0	9.5	11.0	6.0	6.5	108
Norway	5.7	6.8	4.2	3.6	5.7	158
Sweden	13.7	15.4	9.9	8.7	12.4	143
Spain	1.0	28.7	33.4	31.8	40.0	126
Thailand	18.8	22.6	18.4	27.7	9.1	33
Rep. of Korea	13.1	13.6	10.7	1.1	0	0
Malaysia	8.4	8.4	6.9	9.7	7.2	74
Philippines	11.4	11.5	11.2	15.2	11.1	73
Taiwan	41.4	14.1	22.3	21.3	19.9	93
Japan	95.9	82.1	117.0	110.3	114.1	103
Australia	12.4	13.4	12.6	10.1	9.7	96
New Zealand	4.0	3.7	3.5	4.1	2.6	63
Egypt	3.8	17.4	16.1	22.0	21.6	98
Other countries	71.3	89.2	76.7	79.7	60.3	76
Total	567.4	598.7	584.5	572.0	523.7	92

¹Preliminary. ²New classification, January 1, 1978. Previously included in manufactured in bulk. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Table 13—Flue-cured, burley, and Oriental tobacco production in specified countries, 1981-83

Country	1981	1982 ¹	1983 ²
<i>Thousand metric tons</i>			
Flue-cured			
Argentina	32	41	45
Canada	111	67	108
Mexico	13	16	13
Brazil	205	248	234
Zambia	2	2	3
Malawi	19	20	22
Zimbabwe	67	89	95
Tanzania	13	12	11
South Africa	19	24	25
Taiwan	23	26	23
India	117	138	175
Indonesia	38	42	44
Japan	86	84	79
Korea, Rep. of	64	80	63
Pakistan	25	29	25
Philippines	38	47	49
Thailand	42	46	51
Total	914	1,011	1,065
Burley			
Italy	49	54	55
Mexico	23	25	24
Greece	21	24	26
Korea, Rep. of	23	35	32
Malawi	19	27	44
Brazil	20	33	38
Spain	39	37	39
Total	194	235	258
Oriental			
Greece	107	108	89
Bulgaria	112	125	118
Yugoslavia	48	50	49
Turkey	168	214	220
Total	435	497	476

¹Subject to revision. ²Preliminary.

Compiled from reports of Foreign Agricultural Service.

Burley exports declined 12 percent. Except for Africa, there were smaller purchases from virtually all destinations. Kentucky-Tennessee fire-cured exports rose, but Virginia fire-cured declined sharply.

Imports Up Sharply

Total duty-paid imports (for consumption) of unmanufactured tobacco and machine-threshed leaf (Customs category 170.8045—tobacco manufactured or not manufactured not specifically provided for) increased 30 percent in 1983 to 527 million pounds—3 million more than unmanufactured exports. Increases in cigarette leaf, cigar leaf, and machine-threshed leaf much more than offset a reduction in scrap and stems. Machine-threshed imports rose sharply, especially in July and August. The increased imports were in anticipation of a tariff reclassification of certain tobacco. Last July 12, the Customs Service announced that some imported cigarette tobacco that had been threshed or shredded would be reclassified as stemmed cigarette leaf—item 170.3500 on the U.S. tariff schedule. The change, effective August 28, raised the duty from 17.5 cents to 32 cents per pound, and applied to all merchandise entered for consumption or withdrawn from warehouses for consumption on or after that date.

Cigarette leaf imports rose 19 percent. Flue-cured imports jumped 53 percent, and burley 78 percent. Oriental, the major type, rose 6 percent. The increases occurred because of greater use of cheaper foreign tobacco in U.S. cigarettes. Overall, imports accounted for around a third of the tobacco used in U.S. cigarette production in 1983, and a similarly high proportion is expected this year.

General imports of tobacco (direct entry plus placements in bonded warehouses for later factory use) declined 14 percent in 1983. Cigarette leaf, scrap, stems, and threshed leaf all declined, while cigar leaf increased. Flue-cured leaf rose a little, burley declined a little, and oriental leaf declined about 6 percent. Threshed leaf imports (largely flue-cured and burley) fell 38 percent.

Although general tobacco imports (arrivals) were smaller than imports for consumption, U.S. stocks of imported tobacco on January 1, 1984, were up from a year earlier. Stocks of cigarette tobacco were up 19 million pounds, or about 2 percent, from a year earlier, with the increase in flue-cured more than offsetting declines in oriental leaf and burley.

TOBACCO LEAF SITUATION AND OUTLOOK¹

Stocks Decline But Remain Large; 1984 Acreage May Rise

Even though the 1983 crop was much smaller than 1982's, larger carryin stocks kept the 1983/84 supply of domestic leaf tobacco at 5.3 billion pounds, only 3 percent below the previous year. On January 1, 1984, domestic leaf stocks had fallen 0.5 percent from a year earlier. By the end of the current marketing year, stocks may be 3 percent below the 3.83 billion-pound carryovers on July 1, and October 1, 1983.

With the higher effective quota for burley tobacco more than offsetting the reduced flue-cured effective quota for 1984, growers are expected to increase acreage about 1 percent. With trend yields, total production could increase 10-15 percent from last year's 1.41 billion pounds.

If the historical relationship between poundage quotas and grower marketings prevails, flue-cured marketings will fall 7 percent and burley sales will increase about 20 percent (table 16). Increased allotments and normal yields are expected to hike fire-cured production. Dark air-cured production will likely increase if yields are average, but cigar leaf production may be down a little because of reduced allotments.

All tobacco types except Maryland, Pennsylvania filler, Connecticut binder, shade-grown cigar wrapper, and Perique, are under quotas. Acreage allotments were increased about 10 percent for Kentucky-Tennessee fire-cured tobacco. Virginia sun-cured and dark air-cured allotments are essentially the same as last year. Cigar filler and binder allotments were lowered 10 percent.

¹All quantities in this section are in farm-sales weight unless otherwise noted.

Table 14—U.S. imports of unmanufactured tobacco for consumption and general, principal categories, and countries of origin, 1981-83¹

(Declared weight)

	Imports for consumption				General imports (arrivals)				Value 1983 per lb.
	1981	1982	1983 ¹	1983 as a percentage of 1982	1981	1982	1983 ¹	1983 as a percentage of 1982	
	<i>Million pounds</i>			<i>Percent</i>	<i>Million pounds</i>			<i>Percent</i>	<i>Dollars</i>
Cigarette tobacco									
Leaf									
Oriental									
Turkey	100.5	102.8	112.7	110	127.0	126.8	110.0	87	1.74
Greece	25.3	25.2	31.1	123	26.8	29.5	32.0	108	1.66
Yugoslavia	12.6	10.2	10.2	100	11.0	11.0	20.3	185	1.81
Other countries	40.1	35.8	31.1	87	35.7	40.6	23.2	57	1.62
Flue-cured	15.0	9.7	14.8	153	10.9	16.6	17.0	102	1.21
Burley	32.4	6.9	12.3	178	46.4	27.3	27.2	100	.98
Other	3.5	2.1	18.6	886	2.2	1.4	23.5	1,679	1.32
Subtotal	229.4	192.7	230.8	120	256.3	253.2	253.2	100	1.57
Manufactured or not manu- factured, NSPF, other									
Brazil	34.0	38.6	82.3	213	41.3	74.8	54.8	73	1.62
Korea, Republic of	23.3	17.3	24.9	144	27.8	13.7	11.0	80	1.89
Mexico	4.5	6.0	20.8	347	4.5	4.6	3.2	70	.76
Other countries	39.7	48.9	82.1	168	63.3	81.6	39.4	76	1.54
Subtotal	101.5	110.8	210.1	190	136.9	174.7	108.4	62	1.59
Scrap ²									
Brazil	2.7	1.3	1.3	100	2.4	.5	.8	160	.83
Korea, Republic of	.1	.1	.1	100	.5	.5	.4	80	.07
Italy	.1	.2	.3	150	*	.6	.2	33	.89
Mexico	.7	.6	.2	67	.5	.2	.2	100	.74
Turkey	6.7	7.9	5.1	65	3.6	12.3	7.7	63	.20
Other countries	8.2	9.1	5.3	58	7.2	6.5	6.3	97	.92
Subtotal	18.5	19.2	12.5	65	14.2	20.6	15.6	76	.54
Total	349.4	322.7	453.4	141	407.4	448.5	377.2	84	1.36
Cigar tobacco									
Wrapper	1.5	1.7	2.0	118	1.9	2.4	2.8	117	4.95
Filler—stemmed and unstemmed									
Dominican Republic	1.4	1.1	.2	18	5.3	5.7	2.9	51	1.03
Other countries	5.0	2.4	3.0	125	16.0	12.9	15.5	120	1.01
Subtotal	6.4	3.5	3.2	91	21.3	18.6	18.4	99	1.59
Scrap									
Philippines	8.5	7.9	5.1	65	8.5	5.4	4.5	83	.72
Indonesia	7.2	6.4	5.9	92	8.1	6.2	4.5	73	.70
Dominican Republic	6.6	5.1	4.1	80	4.8	1.5	1.5	100	1.05
Brazil	3.5	3.7	2.9	78	5.2	1.2	2.8	233	1.27
Other countries	16.0	16.2	17.4	107	15.0	17.9	15.7	88	.48
Subtotal	41.8	39.3	35.4	90	41.6	32.2	29.0	90	.66
Total	49.7	44.5	40.6	91	64.8	53.2	50.2	94	1.21
Stems	38.2	39.0	33.7	86	45.2	47.9	32.5	68	.16
GRAND TOTAL	437.2	406.2	527.7	130	517.4	549.6	459.9	84	1.38

¹Preliminary. ²Includes minor quantities for smoking tobacco, chewing tobacco, and snuff. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

**Table 15—Estimated U.S. imports of flue-cured and burley tobacco and domestic use, 1969-82
(Farm sales weight)**

Year beginning July 1	Flue-cured				Burley			
	Imports ¹	Domestic disappear- ance	Total use	Imports' share of total	Imports ¹	Domestic disappear- ance ²	Total use	Imports' share of total
	<i>Million pounds</i>			<i>Percent</i>	<i>Million pounds</i>			<i>Percent</i>
1969	5.7	645.9	651.6	0.9	3.3	507.1	510.4	0.6
1970	10.6	640.1	650.7	1.6	3.2	503.0	506.2	0.6
1971	11.2	662.5	673.7	1.7	4.6	515.2	519.8	0.9
1972	12.7	664.2	676.9	1.9	8.9	534.5	543.4	1.6
1973	20.4	703.4	723.8	2.8	30.7	533.1	563.8	5.4
1974	23.1	652.3	675.4	3.4	47.7	518.8	566.5	8.4
1975	24.4	670.6	695.0	3.5	46.7	510.1	556.8	8.4
1976	30.8	634.0	644.8	4.6	37.9	489.6	527.5	7.2
1977	55.0	608.2	663.2	8.3	85.4	494.8	580.2	14.7
1978	60.1	584.1	644.2	9.3	89.1	502.8	591.9	15.1
1979	84.8	563.1	647.9	13.1	113.6	498.5	612.1	18.6
1980	72.7	529.4	602.1	11.7	136.9	477.6	614.5	22.3
1981	63.3	488.8	552.1	11.5	109.7	463.9	573.6	19.1
1982	106.3	478.5	584.8	18.2	116.1	444.1	560.2	20.7

¹Imports for consumption (duty paid) of leaf, scrap, and manufactured or unmanufactured (beginning 1980), prorated according to reported stocks of imported flue-cured and burley. ²Marketing year beginning October.

Table 16—Flue-cured and burley tobacco: Marketing quota and marketings, 1974-84

Year	Quota		Marketings			Effective underquota ¹	Net carryover ²
	Basic	Effective	Actual	Over-quota	Under-quota		
Million pounds							
Flue-cured, types 11-14							
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1	1,316.0	49.4	139.9	130.2	80.8
1977	1,116.5	1,197.3	1,124.2	42.6	115.2	106.9	64.3
1978	1,117.2	1,181.5	1,205.9	65.6	43.9	41.8	-26.4
1979	1,094.9	1,068.5	973.8	24.8	118.8	117.0	92.2
1980	1,094.4	1,186.5	1,086.1	36.0	137.9	135.1	99.1
1981	1,012.9	1,111.4	1,144.3	64.9	31.3	29.2	-35.6
1982	1,013.0	976.8	993.8	54.4	37.5	30.6	-23.8
1983 ³	910.5	886.7	854.8	31.2	67.1	65.6	34.4
1984 ⁴	804.5	839.9					
Burley, type 31							
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	726.4	663.6	33.1	96.2	82.3	49.2
1977	636.2	683.4	612.6	27.2	99.0	80.8	53.6
1978	614.2	667.8	614.2	31.5	88.2	67.6	36.1
1979	614.2	647.8	472.2	12.2	188.6	168.8	155.2
1980	614.4	768.9	557.5	11.6	224.3	200.1	181.8
1981	660.1	841.9	725.6	25.2	143.0	129.4	104.2
1982	680.3	777.8	773.8	46.8	50.9	41.2	-5.6
1983 ³	646.6	641.0	524.1				100.0
1984 ⁴	583.0	687.0					

¹Underquota marketings less ineligible carryover. ²Effective underquota marketings less overquota marketings. ³Subject to revision. ⁴Preliminary.

Compiled from records and reports of Price Support and Loan Division, Agricultural Stabilization and Conservation Service.

Table 17—Computation of price level adjustment factor for tobacco, 1973-84

Crop year	Parity index ¹		Price support level adjustment factor ³
	Previous calendar year	3-year average ²	
	1910-14=100		1959=100
1973	425	405	138
1974	490	441	150
1975	564	493	168
1976	614	556	191
1977	653	610	205
1978	687	650	218
1979	746	695	233
1980	850	761	255
1981	950	849	285
1982	1,035	944	317
1983	1,076	1,019	342
1984	1,105	1,072	360

¹Index of prices paid by farmers, including wage rates, interest, and taxes. 1965-75 revised in 1976 using 1971-73 weights. For original data used for prior year calculations see TS-155, March 1976, p. 16.

²Three calendar years immediately preceding. ³Three-year average parity index divided by 1959 parity index (298).

USDA's Crop Reporting Board indicates growers intended in early February to plant 794,000 acres of tobacco in 1984, 1 percent more than a year ago. But, the planting intentions may provide only a partial indication of response to quota and allotment changes, since burley quotas and allotments for minor kinds were not announced until February 1, just when growers were being surveyed. Last year, intentions were 4 percent higher than the final harvested acreage largely because of dry weather. In 1982, intentions were almost the same as the final harvested acreage, and in 1981, intentions were 3 percent below the final harvested acreage. In 1979 and 1980, harvested acreage was below intentions because of regulation changes and weather problems. During 1974-78, intentions averaged 1 percent below harvested acreage.

Production Costs Higher

Production and marketing costs are expected to rise again in 1984. However, input prices will continue to rise at the slower 1982-83 rate, rather than the faster rate that occurred in 1979-81. For flue-cured tobacco, total costs, excluding land and quota, may rise about 3 percent per acre.

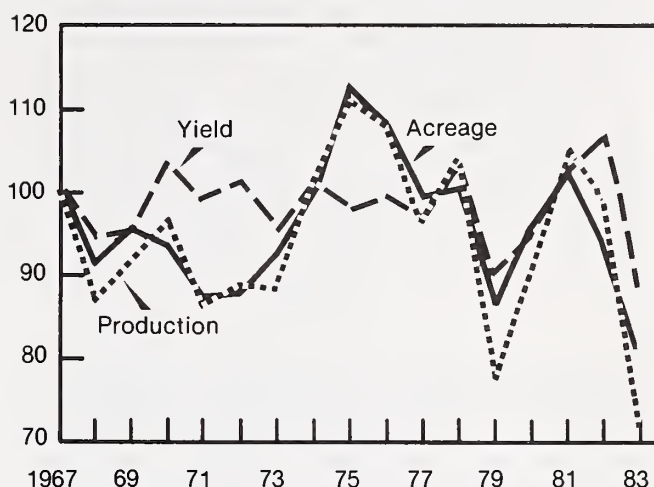
Variable costs may rise 3 to 4 percent per acre. A small increase is expected in fuel and pesticide costs, and fertilizer prices may go up 6 to 8 percent. Wage rates may increase 2 to 4 percent. Of all flue-cured production costs, those for leasing and renting quotas may rise the most since flue-cured effective quotas were reduced 5 percent.

Price Support Program Similar to 1983

The 1984 price support program will be similar to last year's program. Price support is available to eligible growers through loans to producer associations. To be eligible, producers must contribute to a no-net-cost fund or account established by the associations. For 1984, the

Tobacco Acreage, Yield and Production

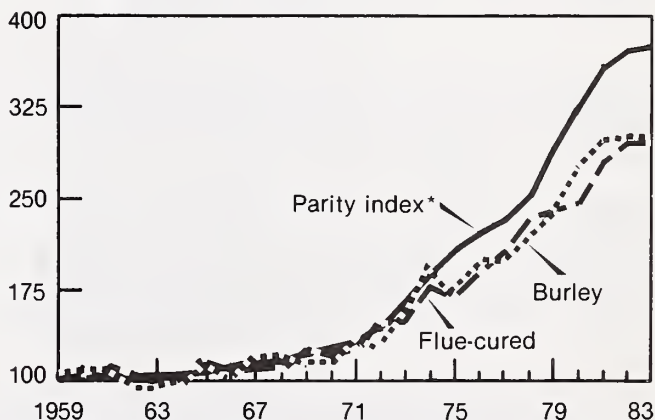
% of 1967



Latest year projected.

Tobacco Prices and Parity Index

% of 1959



*Prices paid for all items including interest, taxes, and wage rates.

contribution from flue-cured growers has been set at 7 cents per pound of tobacco marketed, the same as for 1983. Unlike 1983, however, owners of flue-cured quota who lease it to others are not required to contribute to the fund. The no-net-cost contributions have not been set for burley and most other kinds of tobacco.

To receive price supports, tobacco producers must certify that they did not use DDT, TDE, toxaphene, or endrin insecticides. As a condition for price support for flue-cured tobacco, USDA requires growers to designate a warehouse where they intend to sell their tobacco. Effective with the 1984 crop, USDA has discontinued the four-leaf program. Between 1978 and 1983, the program permitted participating producers to exceed their allotments if they discarded in the field the four bottom leaves of each plant. When the four-leaf program was initiated, large quantities of price-supported lower leaf

tobacco were under loan. Certain grades of lower stalk tobacco are no longer supported, and the quantity of lower stalk tobacco now under loan has been substantially reduced. In the future, the market will likely absorb the reduced amount of lower stalk tobacco.

Price supports for flue-cured tobacco in 1984 are frozen at the 1982 and 1983 levels. For other types, the price support must be set so as not to narrow the normal price support differential between them and flue-cured. Consequently, burley supports, since they are higher than flue-cured, could be increased and other types could be reduced. However, it is unlikely that burley price supports will be increased, but reductions may occur for some cigar types.

Growers of cigar binder and Ohio filler tobaccos voted in a mail referendum February 27-March 1 on whether they approved marketing quotas. Growers approved quotas for Ohio filler and binder and Wisconsin binder tobacco so price supports will be available for their 1984, 1985, and 1986 crops. However, growers did not approve quotas for Connecticut binder so price support will not be available for it in 1984, 1985, and 1986. Growers of flue-cured, burley, fire-cured, dark air-cured, and sun-cured tobacco approved marketing quotas applicable to the 1984 crop in previous referenda. However, growers of Maryland and Pennsylvania filler tobacco will have no supports because they turned down marketing quotas last year.

Flue-Cured

Disappearance Lower

Domestic disappearance of flue-cured tobacco (types 11-14) this season is expected to fall from last season's 479 million pounds. During the first half of this marketing year, domestic disappearance was above a year earlier. However, cigarette output for July-December 1983 was 3 percent lower than a year earlier and output during

January-June 1984 likely will change little from last year's reduced level. Consequently, reduced cigarette production, together with increased use of imported leaf, will probably cause use of domestic flue-cured to decline again in 1983/84.

This marketing year's exports are below last season's, with EC destinations and Japan taking less. The smaller 1983 crop is contributing to the drop, but reduced demand, ample supplies of lower-cost foreign grown leaf, and the strong dollar are also dampening sales in European markets. July-December 1983 exports of 285 million pounds were 5 percent below the previous year and a little below the 1973-77 average for that period. Exports for the rest of the season are likely to continue below a year earlier.

Carryover To Decline

Marketings in 1983 were below expected disappearance this season. This means that flue-cured carryover on July 1 may decline from the 2,205 million pounds of mid-1983.

Because of reduced cigarette output, manufacturers and dealers have bought only limited amounts from loan stocks to supplement their supplies. During July 1983-February 1984, 65-1/2 million pounds of flue-cured were sold from loan, compared with 48 million a year earlier. However, 2 years ago, 121 million pounds were purchased. By March 1, unsold loan stocks of 761 million pounds substantially exceeded Stabilization stocks of a year earlier. About 57 percent of the stocks were from the 1982 and 1983 crops.

In an attempt to sell flue-cured loan stocks, the Flue-Cured Stabilization Cooperative in January reduced prices on its holdings. The reduction ranged from 1 percent on the 1981 crop to about 32 percent on the 1976 crop. The selling price for the 1982 crop was adjusted downward about 2 percent. Furthermore, the first 75 million pounds purchased from the 1982 crop before June 30, 1984, will be discounted a further 10 percent.

Table 18—Flue-cured tobacco: Effective farm quotas, designations, and marketings, 1982-84¹

Type and State or marketing area	Effective farm quotas		Initial designation ³		Final designation		Marketings	
	1984 ²	Change from 1983	1982	1983	1982	1983	1982	1983 ⁴
	Mil lbs.	Percent			Million pounds			
11-Virginia (E)	77	-5	102	90	100	95	87	76
11-North Carolina (D,E)	213	-2	219	192	218	197	232	197
Total 11	290	-3	321	281	318	292	318	273
12-North Carolina (C)	274	-3	372	296	371	311	341	277
13-North Carolina (B)	74	-9	99	93	103	96	85	77
13-South Carolina (B)	101	-10	126	112	128	114	123	112
Total 13	175	-9	225	205	231	210	208	189
14-Alabama	1	-11					1	1
14-Florida (A)	18	-5	22	17	22	20	21	17
14-Georgia (A)	83	-10	112	100	117	105	105	97
Total 14	101	-9	133	118	139	125	127	115
Grand total, flue-cured ¹	840	-5	1,052	899	1,058	940	994	855

¹Data may not add to totals due to rounding. ²Growers were allowed to designate 110 percent of their effective quotas. ³Computed from unrounded data. ⁴Includes 1982 carryover sold in 1983.

Compiled from reports from Tobacco Division, Agricultural Marketing Service; and Price Support and Loan Division, Agricultural Stabilization and Conservation Service.

1984 Crop Projected To Fall

The basic 1984 quota was reduced 11-1/2 percent, but added net undermarketings give an effective quota of 840 million pounds, 5 percent below last year's. The change from last year's effective quota ranged from a 9-percent drop in both the Georgia-Florida and Border Belts to a 3-percent decrease in the Virginia and North Carolina Old and Middle Belts and the Coastal Plain.

Based on the effective quota, lower marketings are expected in 1984. According to the February 1 intentions,

Table 19—Flue-cured tobacco: Acreage allotted and underproduction, 1974-84

Year	Acreage allotted ¹	Underproduction ²	
		Number	As percent of allotment
	Thousand acres		Percent
1974	725.9	109.6	15.1
1975	854.8	137.6	16.1
1976	765.0	98.4	12.9
1977	651.7	56.5	8.7
1978	641.0	38.9	6.1
1979	580.3	77.5	13.4
1980	639.5	84.4	13.2
1981	603.0	63.2	10.5
1982	529.5	57.2	10.8
1983	457.5	44.7	9.8
1984	404.7		

¹Basic allotment adjusted for overmarketings and undermarketings.

²Acreage allotment minus harvested acres.

Compiled from records and reports of Price Support and Loan Division, ASCS.

Table 20—Tobacco loan stocks, 1982-84 (farm-sales weight)

Type	End of February		
	1982	1983	1984 ¹
	Million pounds		
Actual			
Flue-cured, 11-14	649.9	736.6	850.7
Burley, 31	1.0	267.9	342.5
Virginia, 21	2.6	2.7	2.2
Kentucky-Tennessee, 22-23	14.9	7.1	4.7
Kentucky-Tennessee, 35-36	8.8	13.9	12.2
Ohio, 42-44	.4	.2	1.4
Puerto Rican, 46	6.9	5.6	5.9
Connecticut Valley, 51-52	2.2	2.8	3.6
Wisconsin, 54	(2)	1.7	2.1
Wisconsin, 55	.3	6.8	6.7
Total	687.0	1,045.3	1,232.0
Uncommitted			
Flue-cured, 11-14	451.8	642.8	³ 761.3
Burley, 31	0	217.7	⁴ 374.6

¹January 31, 1984, for actual stocks. ²Less than 50,000 pounds.

³End of February. ⁴Includes all of 1983 takings.

Compiled from records of Tobacco and Peanuts Division, Agricultural Stabilization and Conservation Service.

a record-low 395,000 acres will be grown, 4 percent below last year. On this acreage, a normal yield would result in production of about 790 million pounds. This size crop would be 8 percent smaller than last season's marketings (1983 production plus 1982 carryover sales). Historically, producers have marketed about 95 percent of pound-age quotas. The projected crop is 95 percent of quota.

The projected crop, plus the anticipated carryover, indicates that the 1984/85 supply may fall about 4 percent below the 3.06 billion pounds available in the current marketing season.

Foreign Flue-Cured Situation

In Canada, the volume of flue-cured tobacco sold through the Ontario Flue-Cured Growers Marketing Board reached 181 million pounds on February 17, 1984. The average price was Can\$1.64 per pound. The 1983 Canadian crop is estimated at 238 million pounds, about 90 million more than 1982's frost-reduced production. About 96 million pounds of Canadian tobacco likely will be exported.

Zimbabwe's tobacco auctions for the 1983/84 crop will begin in April. A target output of 243 million pounds has been set by the Zimbabwean Marketing Board, about 16 percent larger than a year ago. Early growing conditions indicate the target will be met. Last year's crop averaged U.S.\$1.11 per pound.

Brazil's output in 1983 is estimated at 516 million pounds, 6 percent below the previous year's record high. Harvest of the 1984 crop is nearing completion with a record 584-million-pound crop indicated.

Burley

Effective Quotas Larger; Crop Size May Increase

The 1984 basic quota for burley tobacco is 583 million pounds, 10 percent below last year. Marketings from the 1983 crop and 1982 carryover totaled about 524 million pounds, about 33 percent below 1982. Allowing for over- and underquota marketings of last season brings the 1984 effective quota to around 687 million pounds, up 7 percent from 1983's. This year, the price support level will likely remain at \$1.75 per pound, 2 cents below the 1983 average market price.

Around February 1, farmers said they intended to set about 10 percent more acreage than last year. Marketings were incomplete at the survey date and the 1984 quota was announced during the survey period. Last year, growers marketed 82 percent of the effective quota. With normal yields, marketings in 1984 could turn out to be about 690 million pounds, up 32 percent from 1983's marketings, and providing a 7-percent larger supply than in the current marketing year.

Supply Declines

The 1983/84 burley supply dropped to 1.84 billion pounds, 3 percent below a year earlier. However, the supply is

Table 21 — U.S. exports of unmanufactured tobacco by types, to principal importing countries, crop years 1982/83-1983/84¹
(Declared weight)

Importing country	Part year through January			Importing country	Part year through January		
	1982/83	1982/83	1983/84		1982/83	1982/83	1983/84 ²
<i>Million pounds</i>				<i>Thousand pounds</i>			
Flue-cured, types 11-14				Va. fire & sun-cured, types 21 & 37			
United Kingdom	21.1	15.7	18.8	Switzerland	0	0	0
West Germany	39.4	24.1	19.6	Norway	400	90	154
Japan	66.0	66.0	64.3	Sweden	337	337	300
Netherlands	8.9	3.8	5.9	West Germany	213	11	6
Thailand	6.7	0	4.9	Other countries	343	305	202
Australia	7.9	6.0	5.5	Total	1,294	743	662
Italy	18.8	5.4	.8	One Sucker, type 35			
Sweden	4.4	3.9	5.3	Bahamas	0	0	0
Norway	3.2	1.8	2.9	Zaire	0	0	0
Finland	4.2	2.7	3.3	Other countries	94	83	7
Denmark	9.5	6.2	6.8	Total	94	83	7
Ireland	1.5	.5	1.2	Green River, type 36			
Belgium-Luxembourg	10.2	8.0	2.9	United Kingdom	42	2	6
Switzerland	10.4	9.2	2.7	Benin (Dahomey)	0	0	0
Republic of Korea	0	0	0	Zaire	0	0	0
Philippines	7.0	4.9	2.1	Other countries	28	2	0
Spain	27.8	14.5	16.9	Total	70	4	6
Malaysia	7.2	6.0	4.0	Cigar filler, types 41-44			
Taiwan	17.0	17.0	22.2	Canada	0	0	0
Egypt	5.4	2.5	9.7	France	64	37	64
Other countries	44.4	24.6	20.8	Other countries	261	58	91
Total	320.9	222.8	220.6	Total	325	95	155
Burley, type 31				Binder, types 51-55			
Italy	14.9	.4	1.7	Dominican Republic	57	0	0
Sweden	3.1	1.4	2.6	Switzerland	0	0	0
Denmark	3.0	1.0	1.0	Canada	76	20	21
Netherlands	1.2	.1	.2	Other countries	32	0	30
Japan	18.4	0	8.0	Total	165	20	51
West Germany	14.3	4.4	2.7	Cigar wrapper, types 61-62			
Switzerland	9.2	3.6	1.6	United Kingdom	0	0	0
United Kingdom	.2	.1	.1	West Germany	11	11	57
Thailand	2.5	0	0	Canada	42	33	14
Philippines	7.0	1.9	.4	Dominican Republic	328	278	328
Other countries	16.6	4.9	2.7	Netherlands	366	267	345
Total	90.0	17.8	21.0	Other countries	123	123	84
Maryland, type 32				Total	880	712	828
Belgium-Luxembourg	.7	.3	.1	Black Fat			
West Germany	1.8	.1	.2	Benin (Dahomey)	771	218	481
Switzerland	5.4	2.1	.4	Cameroon	50	0	0
Other countries	2.0	.3	.9	Niger	0	0	304
Total	9.8	2.8	1.3	Nigeria	0	0	518
Ky.-Tenn. fire cured, types 22-23				Togo	0	0	0
Sweden	.6	.6	.7	Other countries	148	51	304
Netherlands	11.8	4.0	7.7	Total	969	269	1,607
Belgium-Luxembourg	.6	.3	0				
France	1.3	0	0				
Switzerland	.3	.3	.5				
Other countries	3.6	2.3	1.0				
Total	18.6	7.5	9.9				
Stems, trimmings, and scrap ²							
Sweden	1.9	.1	.7				
Denmark	5.9	2.4	1.5				
United Kingdom	6.9	3.7	2.6				
West Germany	9.7	5.2	4.5				
Japan	27.4	20.4	16.5				
Other countries	27.2	9.1	11.2				
Total	79.1	40.9	37.0				

¹July-June crop year for flue-cured and cigar wrapper; October-September crop year for all other types. ²Subject to revision.
Detail may not add to total because of rounding. Compiled from publications and records of the Bureau of the Census.

**Table 22—Flue-cured tobacco, types 11-14, and burley tobacco, type 31:
Acreage, yields, production, carryover, supply, disappearance,
season average price, and price support operations,
1974-84 (farm-sales weight)**

Marketing Year ¹	Acreage harvested	Yield per acre	Marketings ²	Beginning stocks ¹			Total supply
				Manufacturers and others	Under loan	Total	
Flue-cured, types 11-14							
1974	616.3	2,014	1,245.1	1,330.6	276.7	1,607.3	2,852.4
1975	717.2	1,973	1,414.7	1,471.9	179.9	1,651.8	3,066.5
1976	666.6	1,974	1,316.0	³ 1,539.1	359.2	³ 1,898.3	3,214.3
1977	589.3	1,917	1,124.2	1,517.6	556.9	⁴ 2,075.0	3,199.2
1978	602.1	2,046	1,205.9	1,517.9	534.0	⁴ 2,051.9	3,257.8
1979	502.8	1,881	945.8	1,510.8	564.0	2,074.8	3,020.6
1980	555.1	1,957	1,086.1	1,411.0	554.4	1,965.4	3,051.5
1981	540.6	2,164	1,144.3	1,416.8	595.8	2,012.6	3,156.9
1982	473.3	2,126	993.8	1,626.4	518.7	2,145.1	3,138.9
1983	412.8	1,981	854.8	1,516.6	688.4	2,205.0	3,059.8
1984 ⁵	394.6	2,000	789.2	1,416.9	730.0	2,149.8	2,939.0
Burley, type 31							
1974	260.7	2,350	610.4	931.5	139.2	1,070.7	1,681.1
1975	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7
1976	285.8	2,376	663.8	³ 1,115.3	44.8	³ 1,160.1	1,823.7
1977	268.6	2,298	612.5	1,162.3	54.9	⁴ 1,217.2	1,829.7
1978	261.4	2,396	617.6	1,087.0	113.5	⁴ 1,218.4	1,836.0
1979	238.1	1,873	445.8	1,056.3	155.4	1,211.7	1,657.5
1980	276.6	2,027	557.5	959.5	66.3	1,025.8	1,583.3
1981	331.2	2,203	725.6	1,000.2	0	1,000.2	1,725.8
1982	340.3	2,379	776.7	1,120.2	.7	1,120.9	1,897.6
1983	284.4	1,654	524.1	1,092.6	226.1	1,318.7	1,842.8
1984 ⁵	313.1	2,200	688.8	977.8	300.0	1,277.8	1,966.6
Disappearance			Exports	Average price per pound	Price support level	Placed under loan	
Total	Domestic	Quantity				Percentage of crop	
Million pounds				Cents		Million pounds	Percent
Flue-cured, types 11-14							
1974	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9
1975	1,193.1	670.6	522.5	99.8	93.2	259.0	18.4
1976	1,148.2	634.0	514.2	110.4	106.0	277.3	21.0
1977	1,147.3	608.2	539.1	117.6	113.8	195.6	17.3
1978	1,182.8	584.1	598.7	135.0	121.0	64.1	5.3
1979	1,083.2	563.2	520.0	140.0	129.3	72.0	7.4
1980	1,038.5	529.6	508.9	144.5	141.5	137.2	12.6
1981	1,011.7	488.8	522.9	166.4	158.7	105.9	9.3
1982	934.5	478.5	456.0	178.5	169.9	259.9	26.3
1983	⁶ 910.0	⁶ 465.0	⁶ 445.0	177.9	169.9	⁷ 194.8	⁷ 22.9
Burley, type 31							
1974	586.7	518.8	67.9	113.7	85.8	2.8	.4
1975	602.5	510.1	92.4	105.5	96.1	50.7	7.9
1976	606.3	489.6	116.8	114.2	109.3	46.6	7.0
1977	611.3	494.8	116.5	120.0	117.3	57.0	9.2
1978	624.3	502.8	121.4	131.2	124.7	67.7	10.8
1979	631.8	498.5	133.3	145.2	133.3	7.3	1.5
1980	583.1	477.6	105.5	165.9	145.9	.0	.0
1981	604.9	463.9	141.0	180.7	163.6	.8	.1
1982	578.9	444.1	134.8	180.1	175.1	269.2	35.0
1983	⁶ 565.0	⁶ 440.0	⁶ 125.0	177.2	⁸ 175.1	⁹ 255.6	⁹ 48.8

¹ July 1 for flue-cured; October 1 for burley. ² Actual marketings in the marketing year. ³ Adjusted for change in conversion factor January 1, 1977. ⁴ Stocks revision January 1, 1979 report. ⁵ Estimated from acreage intentions, projected yield. ⁶ Estimated. ⁷ Includes 163.1 million pounds from the 1983 crop and 31.7 million from the 1982 crop held by the Stabilization Cooperative and offered for sale in the 1983 marketing year. ⁸ Minimum. ⁹ Includes sales of 1982 crop carryover tobacco.

Details may not add to total because of rounding. Compiled from publications and records of the Bureau of the Census.

about 3.2 times the estimated disappearance, well above the desired ratio of 2.6 years' use. By last October, the total carryover held by manufacturers, dealers, and loan cooperatives was 18 percent above the previous year. However, manufacturer and dealer stocks declined and loan stocks rose sharply. Takings of the 1983 crop by the two grower loan associations reached 255 million pounds, more than half of 1983-crop producer marketings, and a record large proportion of the crop.

Reduced cigarette consumption in 1983/84 will mean that domestic burley use will probably decline from last year's 444 million pounds. U.S. burley exports in 1983/84 may decline from the 135 million pounds of a year earlier. Italy, Japan, and Germany remain the three leading destinations. World burley production declined 17 percent in 1983 because of the big decline in the United States. Outside the United States, production rose a little. Increased world burley production in 1981 and 1982 brought use and supplies of burley more closely in line. This, together with the poor quality of the 1983 crop, may lower 1983/84 exports.

1983 Crop Volume and Value Down Sharply

The volume and value of the 1983 crop both declined sharply. The percentage of tobacco classified as unripe

Table 23—Burley tobacco: Price spreads among specified grades, 1974-83

Period	Average price of C4F	Cents per pounds lower than C4F						
		X4F	C4K	B4F	B4FR	B4R	T4R	N1G
		<i>Cents per pound</i>						
1974	117	1	5	1	0	0	2	28
1975	112	2	7	1	3	4	11	29
1976	118	2	4	2	3	5	9	27
1977	126	2	6	1	2	4	10	33
1978 ¹	133	1	6	0	0	2	11	27
1979 ¹	147	1	4	0	0	1	3	20
1980 ¹	166	0	0	0	0	0	0	2
1981	183	1	3	0	1	2	4	18
1982	187	1	13	0	1	3	11	38
1983	188	3	21	0	0	2	12	57

¹Tied.

and immature increased substantially. The proportion of fair, low, and nondescript quality tobacco rose but good and fine declined. Many markets had a large share of lots in baled form, but burley was also sold in burlap sheets and in the traditional tied form. In 1983/84, USDA provided official grading for burley tied in hands, for untied burley packed straight in bales, and for untied burley placed in sheets. This was the first full season that price support was available for untied tobacco placed in sheets.

Auction prices for the 1983 burley crop (including resales) averaged \$1.77 a pound—about 3 cents lower than the previous year. Fine quality flyings, lugs, and leaf averaged little different than the support price, while nondescript and mixed grades averaged from 5 to 19 cents above support. To cut costs, companies concentrated their purchases more in the lower-priced grades.

All markets opened November 21, and the season ended with a clean-up sale on March 7 at Lexington, Ky. As usual, prices declined a little when markets reopened following the Christmas holidays.

Southern Maryland

Auctions for the 1983 crop of Southern Maryland (type 32) opened March 13 and are tentatively scheduled to run for about 7 weeks. For the 1982 crop (marketed mostly in 1983), growers received \$1.48 a pound—9 cents less than the year before. However, prices of tobacco sold in Maryland averaged \$1.56 a pound, compared with \$1.08 in Pennsylvania. The 1983 crop of Maryland tobacco produced in Pennsylvania has largely been sold non-auction at prices averaging about \$1.25 per pound.

Maryland tobacco does not receive Government price support and quotas do not apply. In a referendum in February 1982, growers rejected USDA grading with the required fee, so that service is no longer provided either.

Supply Declines

With drought-reduced yields, growers produced a 1983 crop that was 4 million pounds smaller than the previous

Table 24—Burley tobacco: Gross sales, and average price, by States, 1982-83

State	1982 Crop				1983 Crop ¹			
	Auction sales		Placed under Government loan		Auction sales		Placed under Government loan	
	Amount	Average price	Quantity	Percentage of sales	Amount	Average price	Quantity	Percentage of sales
	<i>Million pounds</i>	<i>Cents per pound</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Million pounds</i>	<i>Cents per pound</i>	<i>Million pounds</i>	<i>Percent</i>
Kentucky	573.4	182.47	189.8	33.1	334.9	175.76	196.6	58.7
Tennessee	159.1	176.12	39.3	24.7	111.6	179.37	30.8	27.6
Virginia	39.3	176.48	11.2	28.4	29.0	183.26	3.0	10.5
North Carolina	31.9	173.43	8.9	27.7	22.5	178.31	5.1	22.6
West Virginia	6.0	177.18	2.6	44.0	4.4	175.97	3.0	68.2
Indiana	17.6	181.98	6.8	38.4	10.8	177.51	5.9	55.0
Ohio	16.5	182.08	6.1	36.8	9.0	178.19	6.0	66.9
Missouri	6.1	180.28	3.7	60.8	6.5	179.01	5.3	81.5
Total all States	850.0	180.59	268.4	31.6	528.7	177.16	255.6	48.4

¹Preliminary.

season. Production declined in Maryland about 8 million pounds, but rose in Pennsylvania nearly 4 million pounds to over 8 million. The 1981 Agriculture Act provided prohibitive penalties for growing and marketing Maryland tobacco in quota areas. However, quotas are not applicable to Pennsylvania seedleaf tobacco and prices for it are lower, so some seedleaf growers are changing to Maryland tobacco.

This marketing year's supply (October 1983-September 1984) is about 5 million pounds smaller than 1982/83 and 6 million smaller than 1981/82. Last season's use of 39 million pounds was about 3 million short of marketings for the 1982 crop (table 25).

Farmers' February acreage intentions, together with normal yields, indicate the 1984 crop may be smaller than last season. If the prospective crop is achieved, supply for 1984/85 would be about 4 percent lower than this season.

Fire-Cured

Smaller Crop Brings Higher Prices

With the smallest crop since 1974, this season's auction prices for fire-cured (types 21-23) averaged higher because of the rise in type 21 prices. Prices for farm purchases were up from a year ago. Quality was down with an increase in the percentage of mixed or variegated and green color marketings. Because of the reduced quality, loan associations are taking a larger proportion of auction sales. Auction price for types 22-23 averaged \$1.43 per pound in early March, about 1 cent lower than a year earlier.

Auctions for Kentucky-Tennessee (types 22-23) began January 17. Because of the short crop, between 80 and 85 percent of the estimated crop had already been sold on farms for around \$1.90 per pound. This season's auction averages ranged from about \$2.25 per pound for the best wrapper and heavy leaf grades to around 45 cents per pound for N2 (nondescript).

Virginia type 21 prices were up, as production was down. By the final sales of type 21, on February 2, the volume of producer marketings had declined 0.8 million pounds from last season. Eight percent of the crop was placed under loan, about the same as in 1982/83. The percentage of offerings by grade groups was about the same as last year. However, the proportion of fair and low quality grades increased, as did the proportion of mixed and green color tobacco, reflecting the unfavorable growing weather of 1983.

Output of snuff, the principal domestic use of fire-cured tobacco, increased during October-December. During the same period, exports were also above last season. However, foreign fire-cured production was up about 11 percent, with Malawi output up 31 percent. Consequently, U.S. exports could decline during the remainder of this marketing year, while domestic use may rise a little.

Acreage Allotments Increased

This year's acreage allotment was lowered 5 percent for Virginia fire-cured (8,751 acres) but was raised 10 percent (24,737 acres) for Kentucky-Tennessee fire-cured. Acreage harvested by State as a percent of allotments in 1983 was: Kentucky, 94 percent; Tennessee, 96 percent; and Virginia, 52 percent. Comparable percentages in 1982 were: Kentucky, 84 percent; Tennessee, 92; and Virginia, 51. The increase in 1983 resulted from reduced acreage allotments in Kentucky and Tennessee, favorable grower prices in 1981 and 1982, and less favorable prospects for alternative crops. As recently as 1980, fire-cured acreage allotments were considerably underplanted in all States. Acreage harvested as a percentage of allotments in 1980 was: Kentucky, 63 percent; Tennessee, 75; and Virginia, 41. In 1984, larger acreage is expected in Kentucky and Tennessee because of larger allotments and more favorable non-auction prices for the 1983 crop. Virginia production may decline slightly because of the allotment reduction, but favorable 1983 prices will keep production near last year's.

Carryover of fire-cured tobacco on October 1 likely will decline from the 79 million pounds of a year earlier.

Table 25--Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1975-84 (farm-sales weight)

Marketing Year ¹	Acreage harvested	Yield per acre	Supply			Disappearance		Average price per pound to growers	
			Production	Stocks following Jan. 1	Total	Total	Domestic		Exports
	<i>Thousand acres</i>	<i>Pounds</i>			<i>Million pounds</i>				<i>Cents</i>
1975	23.0	955	22.0	53.6	75.6	35.7	26.0	9.7	107.5
1976	25.0	1,205	30.1	41.9	72.0	29.9	17.4	12.5	110.0
1977	25.0	1,230	30.8	45.3	76.1	29.0	19.6	9.4	115.1
1978	24.0	1,275	30.6	41.9	72.5	31.1	21.1	10.1	123.1
1979	19.5	1,130	22.0	41.3	63.4	33.6	23.6	10.0	139.7
1980	24.0	1,091	26.2	32.6	58.8	27.3	18.6	8.7	167.9
1981	36.2	1,281	46.4	37.0	83.4	36.0	27.9	8.1	157.3
1982	29.3	1,433	42.0	40.7	82.7	38.9	26.0	12.9	148.1
1983	31.3	1,210	37.9	² 40.1	78.0				
1984 ³	30.3								

¹Year beginning October 1. ²Adjusted to reflect calendar 1983 sales of tobacco produced in Pennsylvania. ³Estimates of February planting intentions based on intentions for types and classes of tobacco other than burley and flue-cured.

Table 26—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1975-84 (farm-sales weight)

Mkt. Yr. begin. Oct. 1	Beginning stocks						
	Acre. harvested	Yield per acre	Prod.	Mfrs. & other	Under loan	Total	Total supply
	<i>Thousand acres</i>	<i>Pounds</i>	<i>Million pounds</i>				
Kentucky-Tennessee fire-cured, types 22-23							
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976	21.2	1,567	33.2	42.6	(1)	42.6	75.8
1977	25.6	1,767	45.2	41.2	(1)	41.2	86.4
1978	27.1	1,898	51.4	50.0	1.0	51.0	102.4
1979	22.1	1,791	39.6	54.0	11.1	65.1	104.7
1980	19.4	1,680	32.6	48.9	19.1	68.0	100.6
1981	20.6	1,578	32.4	48.4	14.7	63.1	95.5
1982	23.5	2,030	47.7	54.5	8.0	62.5	110.2
1983	21.3	1,441	30.7	62.3	6.4	68.7	99.4
1984 ²	23.1						
Virginia fire-cured, type 21							
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976	5.3	1,000	5.3	7.4	(1)	7.4	12.7
1977	7.2	1,000	7.2	7.0	(1)	6.7	13.9
1978	6.1	1,120	6.8	7.9	.8	8.7	15.5
1979	4.8	1,135	5.4	8.2	2.7	10.9	16.3
1980	3.9	935	3.6	6.0	3.3	9.3	12.9
1981	4.1	1,265	5.2	5.7	2.6	8.3	13.5
1982	4.8	1,150	5.5	6.7	2.3	9.0	14.5
1983	4.8	995	4.8	7.9	2.4	10.3	15.1
1984 ²	4.3						
Disappearance			Aver. price per lb.	Price support level	Placed under loan		
Total	Domestic	Exports			Quantity	% of crop	
Million pounds					Cents	Million pounds	
Kentucky-Tennessee fire-cured, types 22-23							
1975	30.7	12.2	18.5	104.7	65.2	.1	.4
1976	34.6	11.2	23.4	142.4	74.1	(1)	—
1977	35.4	17.4	18.0	132.3	79.5	1.1	2.4
1978	37.3	15.1	22.2	112.5	84.6	11.3	22.2
1979	36.7	18.0	18.7	115.2	90.3	11.4	28.8
1980	37.5	19.7	17.8	121.9	98.9	2.1	6.4
1981	33.0	14.5	18.5	161.1	111.0	1.1	2.8
1982	41.5	20.9	20.6	156.0	123.0	4.4	9.2
1983					³ 123.0	⁴ 1.8	5.9
Virginia fire-cured, type 21							
1975	4.8	1.4	3.4	93.0	65.2	(1)	.9
1976	6.1	⁵ 2.0	4.1	118.0	74.1	.1	1.5
1977	5.2	2.8	2.4	96.2	79.5	1.0	14.4
1978	4.6	1.0	3.6	94.5	84.6	1.8	26.2
1979	7.0	3.2	3.8	107.9	90.3	.9	16.3
1980	4.6	2.6	2.0	128.1	98.9	.3	7.2
1981	4.5	1.8	2.7	131.7	111.0	.3	5.9
1982	4.2	2.7	1.5	117.6	118.8	.5	9.3
1983					³ 118.8	.4	8.2

¹Less than 50,000 pounds. ²Estimate of February planting intentions based on intentions for types and classes of tobacco other than burley and flue-cured. ³Maximum. ⁴Through March 6. ⁵Includes 400,000 pounds fire loss, December 1976.

With average yields on the intended acreage, a 1984 crop of 44 million pounds is projected. The indicated supply is a little below the current year's total of 114-1/2 million pounds.

Dark Air-Cured

Supplies Decline, Prices Higher

Grade prices for the 1983 crops of dark air-cured and Virginia sun-cured tobacco (types 35-37) were higher than during the 1982 season. Quality of types 35 and 37 improved while quality of type 36 declined. The total air-cured crop was down sharply. Auction sales started in late November and closed in early February. Auction prices were 30 cents a pound higher for one-sucker (type 35), 18 cents a pound higher for Green River (type 36), and 28 cents a pound higher for sun-cured (type 37). Also, 35 to 40 percent of the one-sucker was sold in the country for around \$1.60 a pound.

Average prices were higher for all grades. The largest increases occurred for lugs and the smallest for heavy leaf. Price averages for all three dark types reached record highs.

This season's supply of dark air-cured tobacco was 56 million pounds, about 2-1/2 million lower than last season (table 27). The chief domestic outlets for dark air-cured tobacco are plug and twist chewing tobacco. Output of these products fell in 1983, but domestic disappearance of dark air-cured rose. Apparently, more dark air-cured is being used in other products. This season, use of dark air-cured tobacco is expected to exceed the 1983 crop, which will result in a reduced October 1 carryover.

Allotments Unchanged

Acreage allotments for the 1984 crops of types 35-36 are 9,679 acres, and for type 37, the allotment is 1,263 acres, about the same for each as a year earlier. Growers of dark air-cured may set 5 percent more acreage this year than last because of the favorable prices received in 1983. This indicates higher production, but with carryin stocks likely lower, the 1984/85 supply may not increase much from the 56 million pounds of 1983/84.

Cigar Tobacco

Prices Generally Higher

Most cigar tobacco producers received higher prices than a year ago for their 1983 crop. A smaller quantity of cigar tobacco is expected to be placed under loan than last season's 6.7 million pounds. Much of the Pennsylvania filler and Wisconsin binder crops had been sold by late February. Prices were averaging around 90 cents per pound in Pennsylvania and about \$1.10 in Wisconsin. Ohio cigar types were contracted for about \$1.02 per pound. Prices were up sharply for Pennsylvania filler and a little for Ohio filler and Wisconsin binder. Prices for Connecticut binder ranged from \$1.50 to \$1.70 per pound, and were a little lower than last season. Season average price and production data for the 1983 crop will be released by the Crop Reporting Board on May 9.

Overall price support levels for this year's crop of cigar leaf tobacco will be no higher than last year. There are no price supports for Pennsylvania filler (type 41), Connecticut binder (types 51-52), or shade-grown cigar wrapper (types 61-62). For type 62, Georgia-Florida shade grown, no production is expected.

Growers of Puerto Rican cigar filler (type 46) must agree to contribute 52 cents a pound to a no-net-cost account to receive price support for the 1983 crop (currently being marketed). Last year's contribution was 13 cents a pound. In addition, the Puerto Rican tobacco cooperatives deduct 6 cents a pound to cover overhead costs. On February 24, USDA announced that as a condition of price support on 1984-crop cigar binder (types 51-52) tobacco, producers had to agree to contribute 10 cents a pound to a no-net-cost account. Last year, cigar binder growers contributed 3 cents to the no-net-cost account. In 1984, an additional 10 cents a pound would be deducted by the tobacco cooperative to cover its overhead costs. However, the price support program for Connecticut binder was not approved in a referendum held February 27-March 1.

U.S. and Puerto Rican Supplies Decline

Total supplies of U.S. and Puerto Rican cigar tobacco for this season are about 6 percent below the previous season; carryin rose but production declined. Cigar binder and filler supplies declined 5 percent while wrapper supplies dropped 26 percent (table 28).

Slightly less foreign cigar tobacco arrived in the United States in 1983 than the year before, and despite a decline in use, stocks of foreign-grown leaf on January 1, 1984, were 12 percent below a year earlier. However, stocks totaled 82 million pounds, considerably more than annual use.

Domestic Use May Stabilize

The demand for domestically produced cigar filler and binder has decreased due to a further shift to foreign suppliers for loose leaf chewing tobacco production, leaving sizable but declining inventories of domestic leaf. Last year, cigarmakers continued to obtain most of their requirements from imports.

With improved economic activity, including factory employment, U.S. cigar leaf use this season might increase a little from a year ago. Tobacco disappearance will likely be 12 to 15 million pounds above the small 1983 crop, dropping the 1983 carryover to around 125 million—close to the 1975-80 average.

Cigar Filler and Binder Allotments Reduced

For most farms growing cigar filler and binder tobacco (types 42-44 and 53-55), USDA set this year's acreage allotments 10 percent below last year. For Puerto Rican cigar tobacco (type 46), the Puerto Rican Department of Agriculture has set a quota of 1.5 million pounds for 1983/84.

Based on the February 1 intentions report, cigar-type acreage could decrease 3 percent. But, a larger reduction

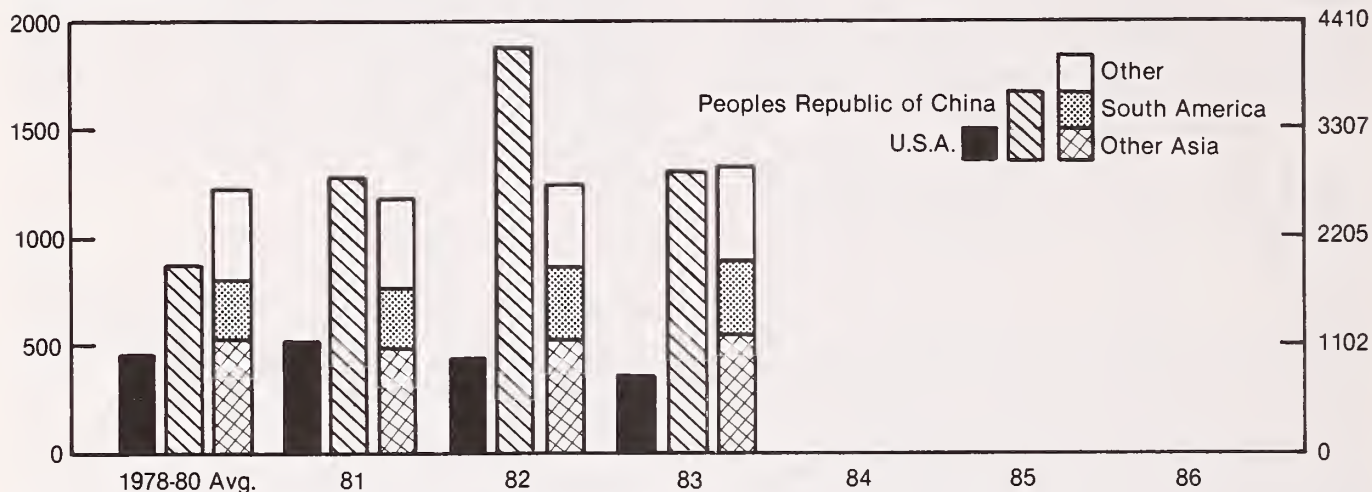
may occur because of the quota reduction announced February 1. However, more favorable prices in 1983 will reduce the effect of the quota reduction. Shade-grown wrapper production may not change much but will remain much lower than the 1976-80 average. A major cigar manufacturer reduced use sharply after it shifted to homo-

genized wrapper that requires much less natural wrapper.

Overall, cigar tobacco production in 1984/85 is projected below last year's crop because acreage likely will be lower. Supplies will decline because use is expected to exceed this year's production.

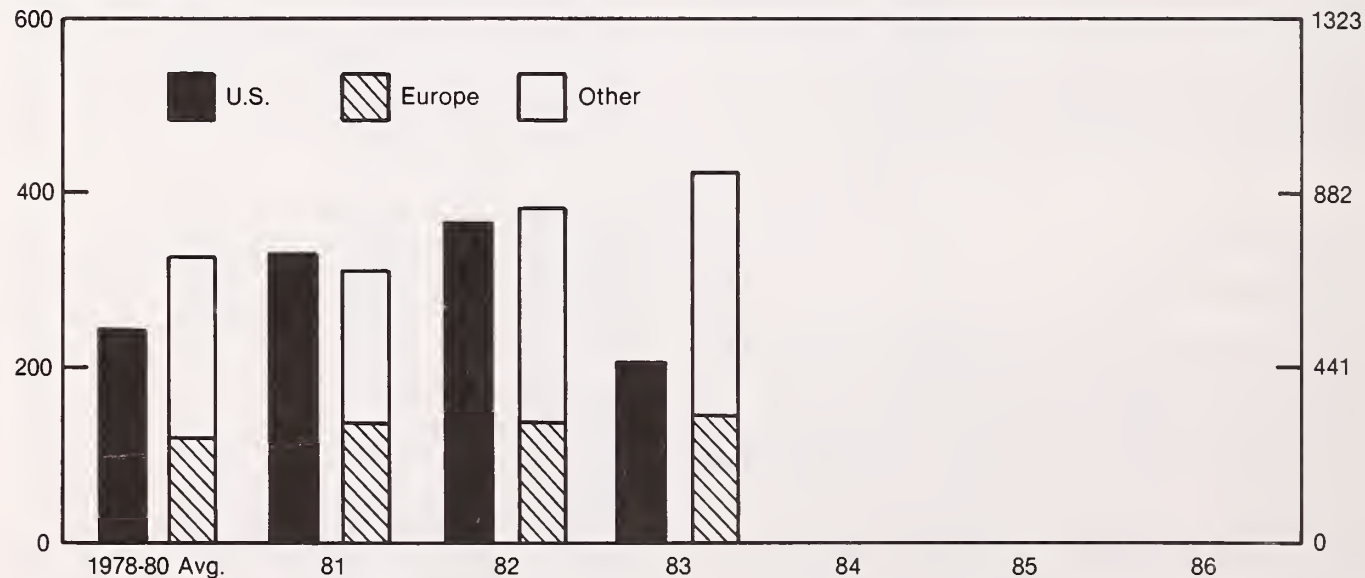
Flue-Cured Tobacco: Estimated World Production

Thous. metric tons



Burley Tobacco: Estimated World Production

Thous. metric tons



**Table 27—Dark air-cured tobacco, types 35-36, and sun-cured tobacco type 37:
Acreage, yield, production, carryover, supply, disappearance, season average
price, and price support operations, 1975-84 (farm-sales weight)**

Marketing yr. begin. Oct. 1	Acres har- vested	Yield per acre	Prod.	Beginning stocks			
				Mfrs. & other	Under loan	Total	Total supply
	Thousand acres	Pounds					
Dark air-cured, types 35-36							
1975	8.0	1,750	14.0	32.7	(1)	32.9	46.9
1976	9.3	1,660	15.1	28.2	—	28.2	43.3
1977	11.2	1,809	20.4	26.1	—	26.1	46.5
1978	11.2	1,969	22.2	30.4	(1)	30.4	52.6
1979	9.7	1,665	16.1	30.0	4.1	34.1	50.2
1980	9.3	1,745	16.2	28.6	5.6	34.2	50.4
1981	9.7	1,614	15.7	29.6	6.8	36.4	52.1
1982	10.2	1,951	19.9	29.8	8.1	37.9	57.8
1983	8.7	1,389	12.1	29.2	13.1	42.3	54.4
1984 ²	9.1						
Sun-cured, type 37							
1975	.7	930	.7	2.3	0	2.3	3.0
1976	.7	1,115	.8	2.1	0	2.1	2.9
1977	.8	1,030	.8	1.8	0	1.8	2.6
1978	.7	1,205	.9	1.8	0	1.8	2.7
1979	.5	1,055	.6	2.2	0	2.2	2.8
1980	.4	1,010	.4	2.0	0	2.0	2.4
1981	.5	1,320	.7	1.6	0	1.6	2.3
1982	.6	1,290	.7	1.6	0	1.6	2.3
1983	.5	980	.5	1.5	0	1.5	2.0
1984 ²	.5						
Disappearance				Placed under loan			
	Total	Domestic	Exports	Aver. price per pound	Price support level	Quantity	Percent of crop
	Million pounds			Cents		Million pounds	Percent
Dark air-cured, types 35-36							
1975	18.7	16.1	2.6	89.8	58.0	.1	.5
1976	17.2	15.1	2.1	116.6	65.9	(1)	—
1977	16.1	13.6	2.4	117.7	70.7	(1)	—
1978	18.4	15.7	2.7	99.1	75.2	4.3	19.7
1979	16.0	14.2	1.8	111.7	80.4	2.2	13.7
1980	14.0	12.0	2.0	126.5	88.0	1.4	8.6
1981	14.2	12.3	1.9	133.0	98.7	1.5	9.6
1982	15.5	14.7	.8	122.9	105.7	5.6	28.1
1983					³ 105.7	1.2	10.2
Sun-cured, type 37							
1975	.9	.7	.2	85.5	58.9	0	—
1976	1.1	.9	.2	105.0	65.9	0	—
1977	.8	.6	.1	100.0	70.7	⁴ 13	1.6
1978	.5	.3	.2	88.8	75.2	⁴ 109	12.4
1979	.8	.6	.2	90.8	80.4	⁴ 30	5.2
1980	.8	.7	.1	127.1	88.0	0	0
1981	.7	.6	.1	131.7	98.7	⁴ 4	.7
1982	.8	.7	.1	106.4	109.4	⁴ 68	9.3
1983					³ 109.4	⁴ 1	.2

¹Less than 50,000 pounds. ²Estimate of February planting intentions based on intentions for types and classes of tobacco other than burley and flue-cured. ³Maximum. ⁴Quantity placed under loan in thousands of pounds.

Table 28—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1975-84 (farm-sales weight)

Crop Year ¹	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks ¹	Total supply	Total	Domestic	Exports	
	Thousand acres	Pounds			Million pounds				Cents
Pennsylvania seedleaf filler (type 41)									
1975	12.0	1,650	19.8	49.2	69.0	22.2	21.8	.4	58.0
1976	13.5	1,750	23.6	46.8	70.4	20.7	20.3	.4	60.0
1977	13.5	1,940	26.2	49.7	75.9	21.8	21.6	.2	60.0
1978	13.0	1,940	25.2	54.1	79.3	23.6	23.5	.1	62.0
1979	11.2	1,580	17.7	55.7	73.4	24.3	24.0	.3	72.0
1980	13.0	1,900	24.7	49.1	73.8	21.7	21.4	.3	87.0
1981	13.3	2,050	27.3	52.1	79.4	27.1	26.9	.2	80.0
1982	10.7	2,000	21.4	52.3	73.7	19.6	19.2	.4	73.0
1983	7.7	1,900	14.6	54.1	68.7				
1984 ²	7.7								
Ohio, Miami, Valley filler (types 42-44)									
1975	2.1	1,620	3.4	5.9	9.3	3.6	3.6	—	60.0
1976	2.2	1,550	3.4	5.7	9.1	3.1	3.1	—	59.0
1977	1.8	2,025	3.6	6.0	9.6	2.6	2.6	—	62.0
1978	1.6	1,850	3.0	7.0	10.0	3.7	3.7	—	64.0
1979	1.3	1,500	2.0	6.3	8.3	4.5	4.5	—	87.0
1980	1.4	1,700	2.4	3.8	6.2	4.1	4.1	—	107.0
1981	1.7	1,440	2.5	4.0	6.5	2.1	2.1	—	105.0
1982	1.8	1,950	3.5	4.4	7.9	2.0	2.0	—	90.0
1983	1.5	1,300	1.9	5.9	7.8				
1984 ²	1.4								
Puerto Rico filler (type 46) ³									
1975	2.7	1,500	4.3	6.1	10.4	3.2	3.2	—	50.7
1976	2.8	1,429	4.1	7.2	11.3	4.9	4.9	—	57.6
1977	2.6	1,480	3.9	6.4	10.3	3.9	3.9	—	60.2
1978	2.2	1,400	3.1	6.4	9.5	2.6	2.6	—	57.0
1979	2.0	1,000	2.0	6.9	8.9	.8	.8	—	69.1
1980	1.1	1,380	1.5	8.1	9.6	1.6	1.6	—	73.5
1981	.6	1,000	.6	8.0	8.6	1.3	1.3	—	86.0
1982	.3	1,000	.3	7.3	7.6	.8	.8	—	91.0
1983	.8	1,400	1.1	6.8	7.9				
1984 ²	.8								
Total cigar filler (types 41-46)									
1975	16.8	1,687	27.5	61.2	88.5	28.8	28.4	.4	56.2
1976	18.5	1,681	33.1	59.7	90.2	28.1	27.7	.4	59.4
1977	17.9	1,883	33.7	62.1	95.8	28.3	27.0	.3	60.2
1978	16.8	1,863	31.3	67.5	98.8	29.9	29.8	.1	61.5
1979	14.5	1,475	21.7	68.9	90.6	29.6	29.3	.3	73.1
1980	15.5	1,845	28.6	61.0	89.6	27.5	27.0	.5	87.5
1981	15.6	1,949	30.4	64.1	94.5	30.5	30.3	.2	82.1
1982	12.8	1,969	25.2	64.0	89.2	22.4	22.0	.4	75.6
1983	10.0	1,760	17.6	66.8	84.4				
1984 ²	9.9								
Connecticut Valley binder (types 51-52)									
1975	1.5	1,582	2.4	6.2	8.6	4.3	4.1	.2	92.7
1976	1.5	1,605	2.4	4.3	6.7	2.4	2.3	.1	89.6
1977	1.4	1,784	2.5	4.3	6.8	1.9	1.9	*	121.3
1978	1.5	1,734	2.6	4.9	7.5	2.1	2.0	.1	144.9
1979	1.5	1,637	2.4	5.5	7.9	2.2	2.0	.2	161.5
1980	1.5	1,750	2.6	5.7	8.3	2.2	2.0	.2	178.8
1981	1.7	1,998	3.5	6.1	9.6	2.5	2.4	.1	182.1
1982	2.1	1,685	3.5	7.1	10.6	3.3	3.1	.2	180.9
1983	1.5	1,788	2.7	7.3	10.0				
1984 ²	1.5								
Southern Wisconsin binder (type 54)									
1975	5.6	1,945	10.9	19.8	30.7	7.5	7.5	—	75.1
1976	5.6	1,890	10.6	23.2	33.8	10.0	10.0	—	74.7
1977	6.2	2,020	12.5	23.8	36.3	10.2	10.2	—	84.6
1978	6.2	1,800	11.2	26.0	37.2	11.4	11.4	—	100.5
1979	6.3	2,080	13.1	25.8	38.9	—	—	—	117.0
1980	6.3	2,110	13.3	(4)	—	—	—	—	125.0
1981	6.4	2,150	13.8	(4)	—	—	—	—	113.0
1982	5.1	2,110	10.8	(4)	—	—	—	—	106.0
1983	4.1	1,970	8.1	(4)					
1984 ²	3.8								

See footnotes at end of table.

Table 28—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1975-84 (farm-sales weight), Continued

Crop Year ¹	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks ¹	Total supply	Total	Domestic	Exports	
			Thousand acres	Pounds	Million pounds				
Northern Wisconsin binder (type 55)									
1975	5.4	1,835	9.9	15.8	25.7	9.7	9.6	.1	75.1
1976	5.5	1,750	9.6	16.0	25.6	9.4	9.4	*	75.2
1977	5.8	2,045	11.9	16.2	28.1	9.1	9.1	.1	85.5
1978	5.9	1,550	9.1	19.1	28.2	8.9	8.9	.1	100.5
1979	6.6	1,810	11.9	19.3	31.2	—	—	*	117.0
1980	6.6	1,920	12.7	(4)	—	—	—	—	125.0
1981	7.3	1,725	12.6	(4)	—	—	—	—	108.0
1982	5.0	1,875	9.4	(4)	—	—	—	—	101.0
1983	4.3	1,870	8.0	(4)	—	—	—	—	
1984 ²	4.0								
Total Wisconsin binder (types 54-55)									
1975	11.0	1,891	20.8	35.6	56.4	17.2	17.1	.1	75.1
1976	11.1	1,821	20.2	39.2	59.4	19.4	19.4	*	75.2
1977	12.0	2,032	24.4	40.0	64.4	19.3	19.3	.1	85.0
1978	12.1	1,678	20.3	45.1	65.4	20.1	20.1	*	100.5
1979	12.9	1,942	25.0	45.3	70.3	21.4	21.4	*	117.0
1980	12.9	2,013	26.0	48.9	74.9	21.3	21.3	*	125.0
1981	13.7	1,924	26.4	53.6	80.0	20.0	20.0	*	110.6
1982	10.1	1,994	20.1	60.0	80.1	19.8	19.8	*	103.7
1983	8.4	1,919	16.1	60.3	76.4				
1984 ²	7.8								
Total Cigar binder (types 51-55)									
1975	12.5	1,851	23.2	41.8	65.0	21.5	21.2	.3	76.9
1976	12.6	1,795	22.6	43.5	66.1	21.8	21.6	.2	76.5
1977	13.4	2,007	26.8	44.3	71.1	21.1	21.1	.1	88.4
1978	13.6	1,684	22.9	50.0	72.9	22.2	22.2	.1	105.6
1979	14.4	1,911	27.5	50.8	78.3	23.6	23.4	.2	120.9
1980	14.4	1,985	28.6	54.6	83.2	23.5	23.3	.2	129.9
1981	15.4	1,932	29.8	59.7	89.5	22.5	22.4	.1	118.9
1982	12.2	1,941	23.7	67.1	90.8	23.1	22.9	.2	115.2
1983	9.9	1,899	18.8	67.6	86.4				
1984 ²	9.3								
Connecticut Valley shade-grown (type 61)									
1975	4.4	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976	4.2	1,555	6.6	7.5	14.1	5.2	1.8	3.4	540.0
1977	3.3	1,544	5.1	8.9	14.0	4.7	.5	4.2	600.0
1978	2.7	1,392	3.8	9.3	13.1	5.0	.1	4.9	750.0
1979	2.7	1,472	4.0	8.1	12.1	5.4	.5	4.9	850.0
1980	3.0	1,513	4.5	6.8	11.3	5.9	2.3	3.6	980.0
1981	2.6	1,592	4.1	5.3	9.4	4.5	2.9	1.6	1000.0
1982	1.1	1,421	1.6	4.9	6.5	3.2	2.2	1.0	1250.0
1983	1.0	1,592	1.6	3.3	4.9				
1984 ²	1.0								
Total shade-grown (types 61-62) ⁵									
1975	5.5	1,409	7.7	15.7	23.4	9.8	5.6	4.2	585.7
1976	4.6	1,565	7.2	13.6	20.8	7.7	3.8	3.8	528.2
1977	3.4	1,547	5.3	13.1	18.4	5.8	1.0	4.8	591.4
1978	2.7	1,392	3.8	12.7	16.5	6.3	1.0	5.3	750.0
1979	2.7	1,472	4.0	10.2	14.2	6.5	1.1	5.4	850.0
1980	3.0	1,513	4.5	7.8	12.3	6.1	2.2	3.9	980.0
1981	2.6	1,592	4.1	6.2	10.2	5.0	3.4	1.6	1000.0
1982	1.1	1,421	1.6	5.2	6.8	3.4	2.4	1.0	1250.0
1983	1.0	1,592	1.6	3.4	5.0				
1984 ²	1.0								
Grand total cigar tobacco (types 41-62)									
1975	34.8	1,678	58.4	118.6	177.1	60.3	55.4	4.9	135.1
1976	35.7	1,709	61.0	116.8	177.7	58.2	53.7	4.4	121.4
1977	34.7	1,900	65.9	119.5	185.4	55.2	50.0	5.2	114.9
1978	33.1	1,752	58.0	130.1	188.2	58.6	53.2	5.5	122.1
1979	31.6	1,684	53.2	129.9	183.1	59.7	53.8	5.9	156.4
1980	32.9	1,875	61.7	123.4	185.1	57.1	52.5	4.6	175.3
1981	33.6	1,914	64.3	130.0	194.3	58.0	56.1	1.9	158.3
1982	26.1	1,933	50.5	136.3	186.8	48.9	47.3	1.6	131.2
1983	20.8	1,827	38.0	137.8	175.8				
1984 ²	20.2								

¹October 1 for types 41-55; July 1 for types 61-62. ²Estimates of February planting intentions based on intentions for types and classes of tobacco other than burley and flue-cured. ³Puerto Rican planting occurs late in calendar year. Price per pound excludes payment by Puerto Rican Government. ⁴Not available. ⁵Includes Georgia-Florida shade-grown, type 62, which has not been grown since 1978. July 1, 1983, stocks were 0.1 million pounds. See TS-176 for annual supply and disappearance. *Less than 50,000 pounds.

Table 29—Cash receipts from farm marketings, and tobacco, 1974-83

Period	Cash receipts				Tobacco as a percentage of	
	Livestock and products	All crops	Total farm	Tobacco	All crops	Total cash receipts
	<i>Million dollars</i>				<i>Percent</i>	
1974	41,359	51,090	92,449	2,097	4.1	2.3
1975	43,059	45,150	88,209	2,155	4.6	2.4
1976	46,112	48,668	94,780	2,310	4.7	2.4
1977	47,639	48,650	96,289	2,331	4.8	2.4
1978	59,213	53,711	112,924	2,606	4.8	2.3
1979	68,522	63,394	131,916	2,271	3.6	1.7
1980	67,405	69,026	136,431	2,672	3.9	1.9
1981	68,785	73,943	142,728	3,295	4.5	2.3
1982	69,430	73,847	143,277	3,382	4.6	2.4
1983	70,268	69,674	139,941	2,754	4.0	2.0

¹Preliminary. Includes 1982 carryover sales of flue-cured and burley.

Table 30—Expenditures for tobacco products and disposable personal income, 1974-83

Year	Total	Cigarettes	Cigars ¹	Other ²	Disposable personal income	Percent of disposable personal income spent on tobacco products			
						All	Cigarettes	Cigars ¹	Other ²
Million dollars					Billion dollars	Percent			
1974	14,475	13,270	705	500	998	1.47	1.35	.07	.05
1975	15,505	14,250	680	575	1,096	1.43	1.32	.06	.05
1976	16,410	15,100	675	625	1,194	1.39	1.28	.06	.05
1977	17,190	15,850	665	675	1,312	1.32	1.22	.05	.05
1978	18,030	16,600	680	750	1,463	1.24	1.14	.05	.05
1979	19,150	17,650	670	830	1,642	1.17	1.08	.04	.05
1980	21,000	19,400	670	930	1,822	1.15	1.06	.04	.05
1981	22,950	21,200	710	1,040	2,016	1.13	1.04	.04	.05
1982 ³	25,310	23,525	685	1,100	2,177	1.16	1.08	.03	.05
1983 ⁴	28,725	26,840	720	1,165	2,333	1.23	1.15	.03	.05

¹Includes small cigars (cigarette-size). ²Smoking tobacco, chewing tobacco, and snuff. ³Subject to revision. ⁴Estimated.

Compiled from reports of Department of Commerce, Bureau of Economic Analysis.

Table 31—Governmental revenues from tobacco products, 1974-83

Year	Federal Government				State and local Governments		All Government
	Cigarettes ¹	Cigars ²	Other ³	Total	State	Local	
	<i>Million dollars</i>						
1974	2,308	52	2	2,362	3,287	113	5,762
1975	2,249	50	3	2,302	3,369	119	5,790
1976	2,322	48	4	2,374	3,445	125	5,944
1977	2,343	35	4	2,382	3,580	131	6,093
1978	2,537	38	5	2,580	3,642	132	6,354
1979	2,409	35	4	2,448	3,700	132	6,280
1980	2,564	41	4	2,609	3,820	134	6,563
1981	2,535	40	4	2,579	3,895	150	6,624
1982	2,485	34	6	2,525	4,060	150	6,735
1983 ⁴	4,625	34	6	4,665	4,090	170	8,925

¹Includes large cigarettes. ²Includes small cigars and revenue on cigars from Puerto Rico placed into the Treasury of Puerto Rico. ³Includes cigarette paper and tubes, and imported cigarettes and cigars. ⁴Estimated.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

The Tobacco Program: Recent Changes And Issues In The Eighties

Verner N. Grise

Agricultural Economist
National Economics Division
Economic Research Service

Abstract: Most tobacco production in the United States has been under a price support-production control program since the early 1930's. A number of changes have been made in the program, including in 1960 the adoption of a new procedure for determining the price support level. Several additional changes were made in 1982 and 1983, including the freezing of price support levels and the establishment of no-net-cost funds and accounts to ensure that growers pay most of the costs of operating the program. Recent changes in the tobacco program are summarized in this article.

Keywords: Tobacco, Government programs, price supports, quotas, no-net-cost.

1930 to 1981¹

The Federal Government has operated programs to support and stabilize tobacco prices since the early 1930's. As a result, risks to growers from seasonal and cyclical price changes have been lessened in the face of weather, production, and use variation.

The Agricultural Adjustment Act of 1933 designated tobacco as a basic (storable) commodity, and cash payments were made to tobacco growers who restricted production (1933-35). After the 1933 legislation was declared unconstitutional, substitute legislation authorized payments for carrying out soil conservation practices (1936-37). The Agricultural Adjustment Act of 1938 authorized marketing quotas, with a penalty for growers exceeding designated quotas. When two-thirds or more of tobacco growers voting approved marketing quotas for their kind of tobacco, growers received price supports up to 75 percent of parity. For parity price calculations, 1910-14 was the base period for most other commodities, but August 1919-July 1929 was the designated base period for tobacco.

Despite many legislative changes since 1938, the marketing quota authority to provide an adequate and balanced flow of tobacco continues. The program is available for all kinds of tobacco except shade-grown wrapper and Perique. Except for the 1939 crops, marketing quotas have been approved and in effect since 1938 for each crop of flue-cured, burley, and dark tobacco. Cigar binder and Ohio filler crops first came under quotas in 1951. Price supports have never applied for Pennsylvania filler, and the Maryland crop was last supported in 1965.

In October 1942, Congress raised the support level to 90 percent of parity and that authority continued through

1948. The Agricultural Act of 1949 continued the 90-percent parity level and has been the authority for tobacco price support since 1950.

Because of sharply increasing price supports, a 1960 amendment to the 1949 Act set the 1960 crop support prices at the 1959 level. The amendment also provided for subsequent price support changes to be based on the average Parity Index for the 3 previous calendar years compared with the 1959 index. Under the loan program, a support price (loan rate) is established for each grade of tobacco. If the buyer's bid price on any lot of tobacco is not equal to or more than the Government loan rate for the grade, an eligible grower may receive the loan rate. The tobacco is then taken by a cooperative association. Under an agreement with the Commodity Credit Corporation, the association arranges for receiving, redrying, packing, storing, and eventual selling of the tobacco under loan.

Grade loan rates are based on recent trends in market prices, loan holdings, and the shares of particular grades that have been received under loan. Before 1984, the weighted average of various loan rates had to equal the overall support level for each kind of tobacco and still must for all kinds except flue-cured.

For flue-cured, beginning in 1962, lease and transfer of quotas within counties were permitted, and in 1965 poundage quotas were implemented. Lease and transfer of quotas and poundage quotas became effective for burley in 1971. Producers were allowed to sell an amount up to 110 percent of their tobacco quota, with marketings the following year to be reduced by the amount of any overmarketing and increased by the amount of any undermarketing.

An administrative rule in 1974 provided relief at congested warehouses early in the marketing season by requiring each producer, as a condition of eligibility for price support, to designate in advance the warehouse desired for selling tobacco. The warehouse had to be

¹Material for early years summarized from, "Tobacco Price Support Program", by Robert H. Miller, Tobacco Situation, TS-152, June 1975.

within 100 miles of the county seat in which the farm was located.

An administrative rule in 1978 permitted growers to plant additional acreage from 1978 to 1983 if they agreed not to harvest the four lower leaves of each stalk. This change alleviated the storage buildup of surplus lower leaves, for which demand is weak. However, supplies of this tobacco are now down enough that this rule was deleted beginning with the 1984 marketing season.

Recent Changes—1982 and 1983

Because of a number of issues about the tobacco program, three laws were enacted in 1982 and 1983 that have made substantial changes in the program. Voluntary health groups and some members of Congress were concerned that the U.S. Treasury makes outlays on a commodity statistically associated with various illnesses. Another concern among some growers and others was that many of the owners of tobacco quota do not grow tobacco. Still another concern was that price supports were so high that U.S. tobacco was losing its competitiveness in world markets.

The first law (P.L. 97-218) was signed on July 20, 1982, and was termed the “No-Net-Cost Tobacco Program.” This law, which was mandated by the 1981 Agriculture and Food Act, required that to be eligible for price support, producers of all kinds of tobacco, beginning with the 1982 crop, must contribute to a fund or account established by the cooperative associations that make Federal support loans available to producers. Flue-cured growers contributed 3 cents a pound for tobacco marketed in 1982 and 7 cents in 1983 and 1984 to a no-net-cost fund handled by the Stabilization Cooperative. The flue-cured fund is different from the burley no-net-cost account in uses and distribution of funds; the flue-cured fund is a contribution toward capital stocks, while burley growers contribute to an operating account. The contribution from burley and other types of producers except flue-cured is maintained by the Commodity Credit Corporation. For burley, it was 1 cent in 1982 and 5 cents in 1983.

Another provision of the no-net-cost law gives the Secretary of Agriculture authority to reduce support rates for tobacco grades that are in excess supply, to make them more competitive. However, the weighted average support for all grades of any kind of tobacco must provide for at least 65 percent of the increase specified in the basic law. Price supports for flue-cured, burley, and several other kinds were limited to the full amount permitted under the law in 1982 (later legislation froze all 1983 and likely all 1984 supports at the 1982 level).

The 1982 law provided, for the first time, authority for owners of flue-cured allotments and quotas to sell these rights separately from the farms to which the allotments are attached. The allotments and quotas must be sold for use on other farms in the same county and must be sold to active producers—that is, those who grow the crop or share in the risk of growing it.

The legislation required corporations, utilities, educational and religious institutions, and other entities owning tobacco allotments but not significantly involved in

farming, to sell their allotments by December 1, 1983 (later legislation extended the deadline to December 1, 1984). The allotments were to be sold to active producers or people planning to become active producers within the same county. Otherwise, the allotments have to be forfeited. Other provisions included prohibition of fall leasing of flue-cured quotas and the limitation of allotment on any flue-cured farm to 50 percent of the eligible cropland.

Legislation signed on July 25, 1983, froze 1983 tobacco supports at their 1982 levels (P.L. 98-59). The legislation also included two provisions dealing specifically with burley. One allows the Secretary of Agriculture to reduce burley quotas by as much as 10 percent in any 1 year, if necessary, to control overproduction; previously, the maximum reduction permitted was 5 percent. The second provision directs that under either of two conditions, the Secretary of Agriculture must determine whether imports are interfering with the U.S. price support and production-control program. These conditions are (1) if the price support is frozen or increased by less than 65 percent of the amount estimated under the current formula, or (2) if stocks of burley tobacco under loan exceed 20 percent of the marketing quota. Since both conditions currently exist, an interagency committee in USDA is examining whether there has been interference. If the study indicates there has been, corrective action will be recommended to the President.

On November 29, further legislation (P.L. 98-180) was signed, making more extensive changes in the tobacco program. This legislation includes the following provisions:

- Flue-cured price supports for 1984 are again frozen at the 1982 level. Supports will be frozen again in 1985 if the 3-year moving average index of prices paid by farmers (including wage rates, interest, and taxes) increases less than 5 percent. Then, beginning in either 1985 or 1986, the price support will move up or down from year to year based on the current formula, and the Secretary of Agriculture retains authority to approve as little as 65 percent of any increase called for by the formula in any given year.
- In 1984, the support price for burley and other types will be set so as not to narrow the normal price support differential between them and flue-cured. Again in 1985, the support price for dark-fired, dark air-cured, and cigar tobacco will be based on the traditional differential between those kinds and flue-cured. Beginning in 1985 for burley and in 1986 for other kinds, determination of the support level will revert to the formula in existing law, including the authority of the Secretary to approve as little as 65 percent of the increase called for by the formula.
- The Secretary of Agriculture, if so requested by the Flue-Cured Stabilization Cooperative, will have the authority to reduce price supports on less marketable grades of flue-cured tobacco. These price-support reductions cannot occur for more than 25 percent of the total flue-cured crop. The reductions cannot exceed 12 percent of the support rate that would otherwise be established. The reductions are

not included in determining the weighted average support rates for eligible grades of flue-cured tobacco.

- Lease and transfer of flue-cured tobacco will be abolished beginning in 1987. For the 1985 and 1986 crops, payment for leasing must be made after the tobacco is marketed. Beginning in 1987, flue-cured quota owners can (1) grow the quota on land to which the quota is assigned, (2) rent the quota to an active grower who will produce the crop on the land to which the quota is assigned (although rental payments cannot be required until after the crop is sold), or (3) sell the quota to an active grower in the county. The seller must allow the buyer up to 5 years to pay for the quota.
- Beginning in 1984, no more than 15,000 pounds of burley quota can be transferred to a single farm, instead of the current 30,000.
- Imported tobacco, except for Oriental and cigar tobacco, must be inspected for grade and quality to the extent feasible. Imported cigar and Oriental tobacco must be accompanied by a certificate stating the kind and type of tobacco and—in the case of cigar tobacco—the intended end use.

The legislation extends the deadline for sale of tobacco quotas by nonfarming entities from December 1, 1983, to December 1, 1984. Exemptions from the mandatory sales provisions for flue-cured are expanded to include partnerships, family farm corporations, trusts, and estates or similar arrangements where individuals are beneficiaries. Mandatory sale is required for burley quotas on farms that do not use the land for agricultural purposes. Educational institutions which use flue-cured or burley quotas for instruction or demonstration purposes are also excluded. Beginning in 1986, the new law requires forfeiture of any flue-cured quota assigned to a farm on which tobacco has not been planted (or considered planted) during at least 2 of the last 3 years. The latest permitted announcement date for flue-cured quota levels has been changed to December 15, from December 1.

Program Issues in 1984 and Beyond

Since tobacco is under continuing legislation, policy issues are not necessarily debated at 4-year intervals

when farm acts for most commodities expire. However, amendments are sometimes added relative to tobacco, as in 1981. Also, some legislators feel that tobacco should come under the 4-year farm acts.

Despite the fact that three significant pieces of legislation have been signed into law during the last 18 months, tobacco policy is far from being set for the next 5 years. Issues likely to be debated include price support levels, imports, quota ownership, and program funding.

Price supports were scaled back in 1982 and will likely be frozen for most types from 1983 through 1985. The impact of the freeze on the comparative position of U.S. tobacco in world markets is of keen interest to policymakers in formulating additional tobacco legislation.

The issue of import controls looms large. Imports rose significantly during the 1970's and early 1980's. Furthermore, it appears tobacco purchasers may be relying even more heavily on lower-cost imports to satisfy their needs.

There has been some movement toward requiring tobacco quotas to belong to producers through (1) forced sale of quotas by nonfarming entities, (2) permitting flue-cured quotas to be sold within counties, and (3) eliminating lease and transfer of flue-cured quotas. Still, much of the quota is owned by nongrowers, with the result that growers must pay one-fourth to one-third of the selling price of the tobacco for the right to produce the crop. Many Congressmen and some grower groups are opposed to quota ownership by nonproducers.

Even though the no-net-cost tobacco act requires growers to pay for most of the costs of operating the program, some costs are still borne by taxpayers. These include the administrative costs (about \$15 million a year) of operating the program and partial payment of interest charges for money loaned by CCC to tobacco cooperatives to operate the loan program.

The key question for tobacco for the 1980's is: How does the United States become more competitive in world markets when our prices are higher, world consumption is essentially stable, and a number of countries have the potential to expand production? If the United States does not become more competitive, recent trends of rising imports and declining exports will likely continue.

STATISTICAL SUMMARY

Item	Unit or base period	1983			1983-84		Last data as percentage of a year earlier
		January	February	December	January	February	
Average price at auctions							
Flue-cured	Ct. per lb.	closed	closed	closed	closed	closed	—
Burley	Ct. per lb.	182.5	180.0	177.0	174.5	170.5	95
Maryland	Ct. per lb.	closed	closed	closed	closed	closed	—
Virginia fire-cured	Ct. per lb.	113.0	92.0	135.5	121.0	94.0	102
Ky.-Tenn. fire-cured	Ct. per lb.	closed	155.0	closed	157.8	149.5	96
Ky.-Tenn. dark air-cured	Ct. per lb.	120.5	closed	closed	147.5	closed	—
Virginia sun-cured	Ct. per lb.	105.0	closed	138.5	132.0	closed	—
Price support level ¹							
Flue-cured	Ct. per lb.	169.9			169.9		100
Burley	Ct. per lb.	175.1			**		
Virginia fire-cured	Ct. per lb.	118.8			**		
Ky.-Tenn. fire-cured	Ct. per lb.	123.0			**		
Ky. Tenn. dark air-cured	Ct. per lb.	105.7			**		
Virginia sun-cured	Ct. per lb.	109.4			**		
Connecticut Valley cigar binder	Ct. per lb.	121.2			**		
Wis. binder and Ohio filler	Ct. per lb.	90.7			**		
Puerto Rican filler	Ct. per lb.	90.9			**		
Parity index ²	1910-14=100	1088	1093	1114	1128	1132	104
Industrial production index ³	1967=100	137.4	138.1	156.4	158.1	—	115
Employment	Mil.	99.2	99.2	102.9	103.2	—	104
Personal income ⁴	Bil. dol.	2652.6	2650.2	2858.0	2888.7	—	109
		1982-83			1983-84		
		December		January	November	December	January
Taxable removals							
Cigarettes	Bil.	33.1	48.7	53.1	43.2		131
Cigars and cigarillos	Mil.	266.2	266.9	324.4	280.5		105
Accumulated from Jan. 1							
Cigarettes	Bil.	614.0		554.3	597.5		97
Cigars and cigarillos	Mil.	3654.1		3300.3	3580.7		98
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	27.9			27.0		97
Chewing tobacco	Mil. lb.	88.0			86.6		98
Snuff	Mil. lb.	43.9			45.7		104
Tax-exempt removals							
Cigarettes	Bil.	5.9	6.8	5.6	5.3		90
Exports	Bil.	5.6	5.6	5.2	5.2	3.7	66
Cigars and cigarillos	Mil.	10.3	9.1	10.9	11.9		116
Accumulated from Jan. 1							
Cigarettes	Bil.	82.1		64.3	69.7		85
Exports	Bil.	73.6		55.5	60.7		82
Cigars and cigarillos	Mil.	158.0		128.0	140.0		89
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	.7			.6		86
Chewing tobacco	Mil. lb.	.2			.2		100
Producer price indexes ⁵							
Tobacco products	1967=100	383.5	350.9	376.7	377.0	389.4	111
Cigarettes (filtertip, king size)	1967=100	398.5	336.1	374.4	374.4	388.1	115
Cigars	1967=100	176.5	176.5	177.3	177.3	178.2	101
Smoking tobacco	1967=100	343.8	N.A.	359.6	363.4	363.4	106
Plug chewing tobacco	1967=100	412.2	N.A.	N.A.	N.A.	N.A.	—
Snuff	1967=100	379.3	N.A.	371.1	386.5	405.4	102
Consumer price indexes (urban)							
Tobacco products	1967=100	272.3	280.3	299.9	299.9	304.3	109
Cigarettes	1967=100	279.0	287.6	308.2	299.2	312.8	109
Other tobacco products ⁶	Dec. 1977=100	143.8	145.8	152.7	154.8	154.9	106
Imports of tobacco (for consumption)							
Cigarette leaf	Mil. lb.	7.8	16.2	28.0	17.0		218
Cigar tobacco (leaf and scrap)	Mil. lb.	2.8	3.5	4.0	2.5		89
Other tobacco (leaf and scrap)	Mil. lb.	9.6	10.0	9.3	6.8		68
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	192.8		212.9	229.8		119
Cigar tobacco (leaf and scrap)	Mil. lb.	43.0		39.0	41.6		97
Other scrap and tobacco NSPF ⁷	Mil. lb.	132.1		234.0	240.9		182

See footnotes at end of table.

STATISTICAL SUMMARY—CONTINUED



Item	Unit or base period	1982-83			1983-84		Last data as percentage of a year earlier
		December	January	November	December	January	
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	54.8	20.1	91.4	67.4	30.8	153
Burley	Mil. lb.	3.6	4.2	8.9	2.3	7.8	186
Maryland	Mil. lb.	.2	.2	.8	.1	.2	100
Virginia fire- & sun-cured	Mil. lb.	.1	*	.6	*	.1	—
Ky.-Tenn. fire-cured	Mil. lb.	1.2	1.3	5.2	1.2	2.8	215
Ky.-Tenn. dark air-cured	Mil. lb.	.1	.2	.1	.3	.4	200
Cigar wrapper	Mil. lb.	.1	.2	.1	.2	.4	200
Cigar binder	Mil. lb.	0	*	*	0	*	—
Accumulated from beginning of marketing year ⁸							
Flue-cured	Mil. lb.	301.1	321.2	217.5	284.9	315.7	98
Burley	Mil. lb.	22.8	27.1	22.0	24.3	32.1	118
Maryland	Mil. lb.	3.7	3.9	1.4	1.5	1.7	44
Virginia fire- & sun-cured	Mil. lb.	.9	.9	.7	.7	.8	89
Ky.-Tenn. fire-cured ⁹	Mil. lb.	7.0	8.3	7.3	8.4	11.3	136
Ky.-Tenn. dark air-cured ⁹	Mil. lb.	.1	.3	.5	.7	1.1	367
Cigar wrapper	Mil. lb.	.6	.5	.3	.5	.7	140
Cigar binder	Mil. lb.	*	*	*	*	.1	—
Cigar filler	Mil. lb.	.1	.1	*	.1	.1	—
Exports of manufactured tobacco in bulk and not elsewhere classified ¹⁰	Mil. lb.	2.0	.2	1.4	2.0	1.1	550
Accumulated from Jan. 1	Mil. lb.	19.1		19.7	21.8		114
Quarterly data							
Stocks of tobacco—1st of quarter (farm-sales weight) ¹¹		1982-83		1983-84			
		Oct.-Dec.	Jan.-Mar.	Oct.-Dec.	Jan.-Mar.		
Domestic types							
Flue-cured	Mil. lb.	2647	2731	2605	2550		93
Burley	Mil. lb.	1121	1448	1319	1537		106
Maryland	Mil. lb.	47	41	51	48		117
Fire-cured	Mil. lb.	71	65	79	76		117
Dark air- and sun-cured	Mil. lb.	40	42	44	47		112
Cigar filler	Mil. lb.	64	60	67	62		103
Cigar binder	Mil. lb.	67	64	68	67		105
Cigar wrapper	Mil. lb.	5	5	4	4		100
Under Government loan ¹²	Mil. lb.	691	821	1,116	1,315		160
Foreign types							
Cigarette and smoking	Mil. lb.	879	825	885	875		106
Oriental	Mil. lb.	367	366	377	364		99
Flue-cured	Mil. lb.	222	177	237	236		133
Burley	Mil. lb.	290	282	271	275		98
Cigar	Mil. lb.	89	93	85	83		89
Tobacco outlets ¹³							
Seasonally adjusted data, annual rates, for charts							
Cigarettes							
Production	Bil.	638.8	702.0	633.6	667.0		95
Tax-paid removals	Bil.	560.4	606.0	598.0	575.0		95
Cigar production							
Large	Bil.	3.26	3.76	3.79	3.85		102
Small	Bil.	1.41	1.30	1.52	1.40		108
Smoking production	Mil. lb.	29.8	28.0	28.3	28.0		100
Chewing production							
Loose leaf	Mil. lb.	69.1	73.8	65.2	68.0		98
Plug and other ¹⁴	Mil. lb.	N.A.	N.A.	N.A.	N.A.		—
Snuff production ¹⁴	Mil. lb.	N.A.	N.A.	N.A.	N.A.		—
Exports of leaf							
Total	Mil. lb.	772.0	434.0	722.7	430.1		99
Flue-cured	Mil. lb.	650.0	363.4	594.0	380.0		105

¹1983 and 1984 crops, respectively. ²Prices paid by farmers including interest, taxes, and wage rates. ³Seasonally adjusted. ⁴Seasonally adjusted, annual rate. ⁵Federal and applicable State and local taxes included. ⁶Includes tobacco accessories. ⁷Farm-sales weight equivalent. ⁸July 1 for flue-cured and cigar wrapper and October 1 for others. ⁹Includes Black Fat. ¹⁰Smoking tobacco in bulk through December 1977. Beginning January 1978 blended strips no longer included. ¹¹Holdings of manufacturers and dealers, including grower cooperatives. ¹²Reported by grower cooperatives. ¹³Latest quarter is estimated. ¹⁴New product classification. *Less than 50,000 pounds. **Estimated. Items may not add because of rounding. Data comparable to earlier years not available.

LIST OF TABLES

	Page
1. Cigarettes: U.S. output, removals, and consumption, 1975-83	2
2. Tobacco products: Consumption per capita, 1974-83	3
3. Cigarettes: Output of filter tip and nonfilter tip, by length, 1981-83	3
4. Cigarette wholesale prices, 1977-83	3
5. Tobacco products: Output and domestic sales, 1981-83	4
6. Cigars and smoking tobacco: Output, removals, and consumption, 1981-83	4
7. Tobacco demand factors, 1974-83	5
8. Roll-your-own cigarettes and smoking tobacco consumed, 1981-83	5
9. U.S. cigarette exports to leading destinations, 1981-83	6
10. Large cigars: Taxable removals by revenue class, 1982-83	6
11. U.S. tobacco exports and imports, unmanufactured and manufactured, 1974-83	6
12. U.S. tobacco exports by types and countries, 1979-83	7
13. Flue-cured, burley, and Oriental tobacco production in specified countries, 1981-83	8
14. U.S. imports of unmanufactured tobacco for consumption and general, 1981-83	9
15. U.S. imports of flue-cured and burley tobacco and domestic disappearance, 1969-82	10
16. Flue-cured and burley: Marketing quota and marketings, 1973-84	10
17. Computation of price support level adjustment factor for tobacco, 1973-84	11
18. Flue-cured tobacco: Effective farm quotas, initial and final designation and marketings, 1982-84	12
19. Flue-cured tobacco: Acreage allotted and underproduction, 1974-84	13
20. Tobacco loan stocks, 1982-84	13
21. Unmanufactured tobacco exports by types, to principal destinations, crop year 1982/83-1983/84	14
22. Flue-cured and burley tobacco: U.S. supplies, disappearance, and prices, 1974-84	15
23. Burley tobacco: Price spreads among specified grades, 1974-83	16
24. Burley tobacco: Gross auction sales, average price, by States, 1982-83	16
25. Maryland tobacco: U.S. supplies, disappearance, and prices, 1975-84	17
26. Fire-cured tobacco: U.S. supplies, disappearance, and prices, 1975-84	18
27. Dark air-cured tobacco: U.S. supplies, disappearance, and prices, 1975-84	21
28. Cigar tobacco: Supplies, disappearance, and prices, 1975-84	22
29. Cash receipts from farm marketings and tobacco, 1974-83	24
30. Expenditures for tobacco products, 1974-83	24
31. Governmental revenue from tobacco products, 1974-83	24

Seen one of these lately?

U.S. GOVERNMENT PRINTING OFFICE SUPERINTENDENT OF DOCUMENTS WASHINGTON, D.C.	
H SUGAR AND SWEETNER ISSUED QUARTERLY ACCEPTED FOR ONE YEAR ONLY S/N 001-028-80018-8 H \$8.00 PER SUBSCRIPTION FOR DOMESTIC MAILING \$10.00 PER SUBSCRIPTION FOR FOREIGN MAILING SERVICES TERMINATE 03/84 (COPIES 000) DO NOT WRITE ON THIS SIDE OTHER THAN IN SPACES INDICATED BELOW	2Q H H R 12/07/83
  [72SAS 20250USDAE500UY 0001] USDA EMS 41 31 DT 3 00500 KENT D MILLER 500 12TH ST S W WASHINGTON DC 20250	<input type="checkbox"/> REMITTANCE ENCLOSED <input type="checkbox"/> CHANGE QUANTITY TO _____ <input type="checkbox"/> CHANGE OF ADDRESS (OVER -)
IMPORTANT! RETURN THIS CARD IN ENCLOSED ENVELOPE TO RENEW SUBSCRIPTION	
Credit Card No. 	Expiration Date Month/Year
Deposit Account Number 	

It's your renewal notice from the Government Printing Office. You can expect it about 90 days before your subscription expires. Since it's the **ONLY** notice you'll get, you need to return it with your payment to ensure uninterrupted service.

If you misplaced the renewal notice, use the order form below.

*Mail this form to: Superintendent of Documents, Government Printing Office, Washington, D.C.. 20250

\$ _____ Amount

_____ Here is my check payable to the SUPERINTENDENT OF DOCUMENTS.

_____ Charge my GPO Deposit Account _____

_____ Charge my VISA or MASTERCARD Account _____

Expiration date _____

Charge orders may be telephoned to the GPO order desk at

(202) 783-3238 from 8 a.m. to 4 p.m. ET, Mon.-Fri. (except holidays).

RENEWAL Tobacco Outlook & Situation Report

\$8.00 U.S. \$10.00 Foreign

USDA Economic Research Service

Company or Person Name

--

Additional address/attention line

--

Street address

--

City

--

State

ZIP Code

(or Country)

--

PLEASE PRINT, TYPE, OR USE MAILING LABEL FROM BACK COVER

AGRICULTURAL OUTLOOK

Tracking the Business of Agriculture

Agricultural Outlook pools USDA's latest analyses of the agricultural economy in one comprehensive monthly package. Besides its regular outlook coverage—including commodity supply and demand, world agriculture and trade, food and marketing, farm inputs, agricultural policy, transportation and storage, and related developments in the general economy—Agricultural Outlook is USDA's official outlet for farm income and food price forecasts. While emphasizing short-term outlook information, the magazine also publishes special reports containing long-term analyses of topics ranging from international trade policies to U.S. land use and availability. Agricultural Outlook averages 48 pages and includes 6 pages of updated charts and 20 pages of statistical tables.



Order Now!

Agricultural Outlook Subscription Order Form

Enclosed is \$ _____ ☐ check,

☐ money order, or charge to my
Deposit Account No

_____-____

Order No _____

Mail to:

**Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402**

Credit Card Orders Only



Total charges \$ _____ Fill in the boxes below

Credit
Card No. _____



Expiration Date
Month/Year _____

Please enter my subscription to **Agricultural Outlook (ARGO)** for one year at
\$31.00 Domestic \$38.50 Foreign

Name—First Last																							
Company name or additional address line																							
Street address																							
City												State				ZIP Code							
(or Country)																							

PLEASE PRINT OR TYPE

Make checks payable to: Superintendent of Documents.

For Office Use Only

Quantity _____ Charges _____

_____ Enclosed _____

_____ To be mailed _____

_____ Subscriptions _____

Postage _____

Foreign handling _____

MMOB _____

OPNR _____

_____ UPNS

_____ Discount

_____ Refund



Reports of the Economic Research Service U.S. Department of Agriculture

	Subscription Fee			Subscription Fee	
	Domestic	Foreign		Domestic	Foreign
Outlook & Situation Reports					
<input type="checkbox"/> Agricultural Exports (4 issues)	\$7.00	\$8.75	Other Periodicals		
<input type="checkbox"/> Cotton & Wool (4)	8.00	10.00	<input type="checkbox"/> Agricultural Economics Research (4)	\$8.50	\$10.65
<input type="checkbox"/> Dairy (4)	8.00	10.00	<input type="checkbox"/> Agricultural Outlook (11)	31.00	38.75
<input type="checkbox"/> Feed (4)	8.50	10.65	<input type="checkbox"/> Economic Indicators of the		
<input type="checkbox"/> Fruit (4)	8.00	10.00	Farm Sector (5)	15.00	18.75
<input type="checkbox"/> Inputs (4)	8.50	10.65	<input type="checkbox"/> Farmline (11)	16.00	20.00
<input type="checkbox"/> Livestock & Poultry (6)	15.00	18.75	<input type="checkbox"/> Foreign Agricultural Trade		
<input type="checkbox"/> Oil Crops (4)	8.00	10.00	of the U.S. (8)	19.00	23.75
<input type="checkbox"/> Rice (2)	5.00	6.25	(6 issues plus 2 supplements.)		
<input type="checkbox"/> Sugar & Sweetener (4)	8.00	10.00	<input type="checkbox"/> National Food Review (4)	8.50	10.65
<input type="checkbox"/> Tobacco (4)	8.00	10.00			
<input type="checkbox"/> Vegetable (4)	8.00	10.00			
<input type="checkbox"/> Wheat (4)	8.00	10.00			
<input type="checkbox"/> World Agriculture (4)	9.00	11.25			
<input type="checkbox"/> World Agriculture Regionals (11)	18.00	22.50			
North America/Oceania, Latin America, Eastern Europe, Western Europe, USSR, Middle East and North Africa, Sub-Saharan Africa, East Asia, China, South Asia, Southeast Asia					

For single copy prices, call (202) 783-3238

Note: **ERS Abstracts**, issued periodically, provides descriptive information of current research reports and other publications and their purchase prices. To be placed on the free mailing list for **ERS Abstracts**, and for additional details about ordering publications, please contact: Information Division, Room 4309-S, USDA, Washington, D.C. 20250. (202) 447-7305 and 447-8590.

HOW TO ORDER

- *Check appropriate box.
- *Calculate the total charges for subscriptions and enter below.
- *If your address is outside the United States, use "foreign" price.
- *Make check or money order payable to the Superintendent of Documents.

- *Allow 6 weeks for processing.
- *For faster service or foreign air mail information, call (202) 783-3238.
- *Mail this entire form to: Superintendent of Documents
Government Printing Office
Washington, D.C. 20402

Enclosed is \$ _____ ☐ check,
☐ money order, or charge to my
Deposit Account No. _____

Order No. _____

**MasterCard and
VISA accepted.**



Credit Card Orders Only

Total charges \$ _____

Fill in the boxes below

Credit Card No. _____

Expiration Date _____
Month/Year

Customer's Telephone No.'s			
Area Code	Home	Area Code	Office

Charge orders may be telephoned to the GPO order desk at (202) 783-3238 from 8:00 a.m. to 4:00 p.m. eastern time, Monday-Friday (except holidays).

For Office Use Only

Quantity	Charges
_____ Publications	_____
_____ Subscriptions	_____
Special Shipping Charges	_____
International Handling	_____
Special Charges	_____
QPNR	_____
=====	
_____ UPNS	_____
_____ Balance Due	_____
_____ Discount	_____
_____ Refund	_____

Company or Personal Name	

Additional address/attention line	

Street address	

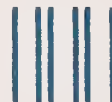
City	State ZIP Code
_____	_____
(or Country)	

PLEASE PRINT OR TYPE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

Moving? To change your address send this sheet with label intact, showing new address, to EMS Information, Rm.400-GHI, USDA, Washington, D.C. 20250.



Postage and Fees Paid
United States
Department of Agriculture
AGR-101

FIRST CLASS

The 1983 Handbook of Agricultural Charts

Economic and agricultural trends come alive in this two-color handbook, containing 278 charts depicting all significant aspects of agriculture. To order your copy, send your check for \$5.00 payable to Superintendent of Documents, and mail to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Be sure to indicate complete title and stock number. AH-619. Order SN: 001-000-04377-3 from GPO. \$5.00.

